Middle School Advocates, Inc.

Type 5 Charter School Application For New Orleans Charter Middle School

Volume II

ORIGINAL

Submitted

May 1, 2006

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Exhibit A and B are not Applicable

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SELECTION FORM
Curriculum Options

The information provided below must be submitted to the Department with your Type 5 Charter application on or before the deadline.

Please fill in the information completely and check the appropriate boxes Assistance is available at (225) 342- 3365 between the hours of 7:30 a.m and 4:00 p.m at the Louisiana Department of Education.

Name of Non-Profit Middle School Advocates, Inc.

I, the undersigned, representing the non-profit organization listed above, understand that if I choose Option I, I must complete item #11 as stated in the RFA If I choose to use the Department's Comprehensive Curriculum, I will not be required to complete the requirements as outlined in item #11 I must, however, a) include a statement identifying my choice of Option II (below), b) describe my plans for aligning textbooks, web resources, and other materials to the comprehensive curriculum; and describe my plans for developing a curriculum management system.

I select Option II below. I have checked the appropriate, related boxes.

Option I Submit a locally developed curriculum in

☐ English Language Arts ☐ Mathematics ☐ Science ☐ Social Studies

Option II Implement the Louisiana Comprehensive Curriculum in

☑ English Language Arts ☑ Mathematics ☑ Science ☑ Social Studies

List all groups involved in your decision-making process:

4/27/06
Date

Signature of Non-profit Director/Superintendent/CEO

UNITED STATES OF AMERICA

State of Louisiana

Fox McKeithen

SECRETARY OF STATE

As Secretary of State, of the State of Louisiana, I do hereby Certify that

a copy of the Articles of Incorporation of

MIDDLE SCHOOL ADVOCATES, INC.

Domiciled at NEW ORLEANS, LOUISIANA,

Was filed and recorded in this Office on December 03, 1997,

And all fees having been paid as required by law, the corporation is authorized to transact business in this State, subject to the restrictions imposed by law, including the provisions of R.S. Title 12, Chapter 2.

In testimony whereof, I have hereunto set my hand and caused the Seal of my Office to be affixed at the City of Baton Rouge on,

December 3, 1997

Fox McKeithen

KGO 34600823N

Secretary of State

STATE OF LOUISIANA
UNION JUSTICE CONFIDENCE
SECRETARY OF STATE

CERTIFICATE SS 102 S (R 3/88)

ARTICLES OF INCORPORATION

OF

MIDDLE SCHOOL ADVOCATES, INC.

STATE OF LOUISIANA
Office of the Secretary of State
I hereby certify that this is a true and correct copy,
as taken from the original on file in this office

Fox McKeithen
Secretary of State

Dated DEC 03 1997

ARTICLE I.

NAME

The name of this nonprofit corporation shall be: Middle School Advocates, Inc.

ARTICLE II.

NONPROFIT CORPORATION

Middle School Advocates, Inc. is a nonprofit corporation organized under the laws of the State of Louisiana in accordance with R.S. 12:201 et seq.

ARTICLE III.

PURPOSES

This nonprofit corporation is organized and shall be operated exclusively for the following purpose:

(a) To improve student learning;

(c) To increase learning opportunities and access to quality education for all students;

(c) To encourage use of innovative teaching methods and a variety of governance, management, and administrative structures;

(d) To be more thoroughly accountable for educational results;

(e) To create new professional opportunities for teachers and other school employees; and

(f) To do and engage in any and all lawful activities which may be reasonably necessary to effectuate any of the purposes set forth in this Article, and to exercise all other powers and authorities now or hereafter conferred upon nonprofit corporations under the laws of the State of Louisiana, subject to the limitations set forth.

However, in all events and under all circumstances, and notwithstanding anything else in these Articles of Incorporation, and notwithstanding merger, consolidation, reorganization, termination, dissolution or winding up of this Corporation, voluntary or involuntary or by operation of law, or amendment of the Articles of Incorporation, the following provisions shall apply:

(1) No part of the activities of this Corporation shall consist of carrying on propaganda or otherwise attempting to influence legislation; nor shall it in any manner or to any extent participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of any candidate for public office; nor shall engage in any activities which are unlawful under the laws of the United States of America or the State of Louisiana, or any other jurisdiction where such activities are carried on;

(2) This Corporation shall never be operated for the primary purpose of carrying on a trade or business for profit. Neither the whole nor any part or portion of the assets or net earnings of this Corporation shall be used, nor shall this Corporation ever be organized or operated for the purposes which are not exclusively religious, charitable, scientific, literary or educational within the meaning of Section 501(c)(3) of the Internal Revenue Code, as amended, or by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code, as amended.

(3) No compensation or payment shall ever be paid or made to any member, officer, director or other private person, or organizer of this Corporation, except as reasonable allowance for actual expenditures or services which are actually made or rendered to or for this Corporation and in furtherance of its stated purposes; neither whole nor any part or portion of the assets or net earnings, current or cumulative, of this Corporation shall ever inure to the benefit of or be distributed to or divided among such persons.

ARTICLE IV.

DEDICATION OF ASSETS AND DISSOLUTION

A. The assets of this Corporation are permanently dedicated to assisting, promoting and enhancing all purposes described in Article III above.

B. Upon the termination, winding up or dissolution of the Corporation, the Board of Directors, Liquidator, or other appropriate representatives shall, after paying or making provisions for payment of all of the liabilities of the Corporation, dispose of all of the assets of the Corporation, to such an organization organized and operated exclusively for the same purposes of this Corporation or alternatively, to such organization or organizations organized and operated exclusively for charitable, educational, religious or scientific purposes as shall at the time qualify as an exempt organization or organizations under section 501(c)(3) of the Internal Revenue Code. The Board of Directors, Liquidator or other appropriate corporate representative shall determine the identity of the organization or organizations to which the assets in liquidation shall be distributed.

ARTICLE V.

DURATION

This Corporation shall have perpetual existence.

ARTICLE VI.

STRUCTURE OF THE CORPORATION

A. The Corporation shall not be a membership organization.

B. This Corporation shall be organized on a non-stock basis.

ARTICLE VII.

LIABILITY OF MEMBERS

No member of this Corporation shall be liable personally for any obligation of the Corporation.

ARTICLE VIII.

BOARD OF DIRECTORS

The following are the names and addresses of the initial directors:

1. Caldonia Staton
 1520 Westbrook Dr.
 New Orleans, LA 70122

2. Brenda Benoit
 4344 Sybil St.
 New Orleans, LA 70122

3. Daniel Hernandez
 4512 St. Ann
 New Orleans, LA 70119

The general authority for all affairs of the Corporation shall be in the Board of Directors consisting of at least three (3) directors, but not more than fifteen (15) directors, who shall have and may exercise all of the powers of the Corporation as permitted by federal law, Louisiana law, these Articles of Incorporation, and the By-laws of the Corporation as from time to time in effect. The foregoing directors and all future directors shall hold office for a term of one year and until such time as an election by the members is held for a new board. The classification, qualifications, manner of election, time and place of meetings and powers and duties of the directors may be prescribed by the By-laws adopted by the Board of Directors

Any director absent from a meeting of the Board or any committee thereof may be represented by any other director or member, who may cast the vote of the absent director according to the written instructions, general or special, of the absent director

The Board of Directors may participate in a meeting by means of conference telephone or similar communications equipment pursuant to which all persons participating in the meeting can hear and communicate with each other.

The Board of Directors may also take any and all action by executing a unanimous consent signed by all of the directors. This written consent shall be in place of a meeting and the actions taken in the written consent shall have the full force and effect as if the resolutions were addressed and voted upon in an actual meeting. The written consent may be executed in counterparts by the various directors of the Corporation.

ARTICLE IX.

LIMITATION OF LIABILITY OF OFFICERS AND DIRECTORS

No officer or director of the Corporation shall be individually liable to either the organization itself or to third parties for any act or omission resulting in damage or injury, provided that:

(1) The Corporation is a nonprofit organization qualified as a tax exempt organization under Section 501(c) of the Internal Revenue Code; and

(2) The person is not compensated for services as an officer or director on a salary basis; and

(3) The act or omission resulting in damage or injury arises out of the exercise of the person's judgment in the formation and implementation of policy while acting as a director or officer or arises out of the management of the affairs of the organization; and

(4) The person was acting within the scope of his official functions and duties; and

(5) The person was acting in good faith and the damage or injury was not caused by the person's wanton or willful misconduct

ARTICLE X.

OFFICERS

The Board of Directors shall elect a President, Vice-President and Secretary-Treasurer. The qualifications, terms of office, manner of election and right to powers and duties of the officers of the Corporation shall be prescribed by the By-laws.

ARTICLE XI.

AMENDMENT OF ARTICLES

A. The Secretary of the Corporation, upon the written concurrence of legal counsel for the Corporation, is empowered to amend these Articles of Incorporation solely for the purpose of having them conform to the requirements of the Internal Revenue Service governing tax exempt corporations and contributions to which are tax deductible.

B. In all instances not prescribed by law and provided such amendments would in no way deprive the Corporation of its nonprofit status, these Articles of Incorporation may be altered, amended, or repealed by the vote of a two-thirds majority of the Directors of the Corporation presently serving or by the written assent of a two-thirds majority of the Directors.

ARTICLE XII.

REGISTERED OFFICE

The registered office of this Corporation is located at 1520 Westbrook Dr., New Orleans, LA 70112. The registered agent for service of process is Anthony Recasner, 1929 Upperline St , New Orleans, LA 70115.

ARTICLE XIV.

INCORPORATOR

The names and addresses of the incorporators of this nonprofit corporation are:

1. Caldonia Staton
 1520 Westbrook Dr.
 New Orleans, LA 70122

2. Brenda Benoit
 4344 Sybil St.
 New Orleans, LA 70122

3. Daniel Hernandez
 4512 St. Ann
 New Orleans, LA 70119

Caldonia Staton
Caldonia Staton

Brenda Benoit
Brenda Benoit

Daniel Hernandez
Daniel Hernandez

ACKNOWLEDGMENT

STATE OF LOUISIANA

PARISH OF Orleans

BEFORE ME, the undersigned authority, personally came and appeared:

Caldonia Staton

who, after being duly sworn by me, Notary Public, did depose and say that he/she is the same person described in the foregoing instrument who executed the same and acknowledges that he/she executed said instrument as his/her own free and voluntary act and deed.

New Orleans, **LOUISIANA,** this 3rd day of November, 1997.

Caldonia Staton
Caldonia Staton

WITNESSES.

Wanda L. Thomas

Suzanne M. Spitzfaden

Mark R. Beebe
NOTARY PUBLIC

ACKNOWLEDGMENT

STATE OF LOUISIANA

PARISH OF Orleans

BEFORE ME, the undersigned authority, personally came and appeared:

Brenda Benoit

who, after being duly sworn by me, Notary Public, did depose and say that he/she is the same person described in the foregoing instrument who executed the same and acknowledges that he/she executed said instrument as his/her own free and voluntary act and deed.

New Orleans, **LOUISIANA,** this 3rd day of November, 1997.

Brenda Benoit
Brenda Benoit

WITNESSES:

Wanda L. Theriot

Suzanne M Gottesfeden

Mark R. Beeke
NOTARY PUBLIC

ACKNOWLEDGMENT

STATE OF LOUISIANA

PARISH OF Orleans

BEFORE ME, the undersigned authority, personally came and appeared:

Daniel Hernandez

who, after being duly sworn by me, Notary Public, did depose and say that he/she is the same person described in the foregoing instrument who executed the same and acknowledges that he/she executed said instrument as his/her own free and voluntary act and deed.

New Orleans, **LOUISIANA**, this 3rd day of November, 1997.

Daniel R Hernandez
Daniel Hernandez

WITNESSES:

Wanda L. Herod

Suzanne M Spitzfaden

Mark R. Beebe
NOTARY PUBLIC

AFFIDAVIT OF ACCEPTANCE OF APPOINTMENT
BY DESIGNATED REGISTERED AGENT
ACT 769 OF 1987

To the State Corporation Department
State of Louisiana

STATE OF LOUISIANA
PARISH OF Orleans

On this 3rd day of November, 1997, before me, a Notary Public in and for the State and Parish aforesaid, personally came and appeared:

Anthony Recasner

who is to me known to be the person, and who, being duly sworn, acknowledged to me that he does hereby accept appointment as the Registered Agent of Middle School Advocates, Inc., which is a Corporation authorized to transact business in the State of Louisiana pursuant to the provisions of the title 12, Chapter 1, 2 and 3.

Anthony Recasner

WITNESSES:

Wanda L. Theriot

Suzanne M Gottfried

Mark R. Beebe
NOTARY PUBLIC

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: OCT 28 2002

MIDDLE SCHOOL ADVOCATES INC
3801 MONROE ST
NEW ORLEANS, LA 70118

Employer Identification Number
72-1409800
DLN
17053264754092
Contact Person:
DANIEL D DRAGOO ID# 31467
Contact Telephone Number:
(877) 829-5500
Our Letter Dated
May 1998
Addendum Applies:
No

Dear Applicant:

This modifies our letter of the above date in which we stated that you would be treated as an organization that is not a private foundation until the expiration of your advance ruling period.

Your exempt status under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3) is still in effect. Based on the information you submitted, we have determined that you are not a private foundation within the meaning of section 509(a) of the Code because you are an organization of the type described in section 509(a)(1) and 170(b)(1)(A)(vi).

Grantors and contributors may rely on this determination unless the Internal Revenue Service publishes notice to the contrary. However, if you lose your section 509(a)(1) status, a grantor or contributor may not rely on this determination if he or she was in part responsible for, or was aware of, the act or failure to act, or the substantial or material change on the part of the organization that resulted in your loss of such status, or if he or she acquired knowledge that the Internal Revenue Service had given notice that you would no longer be classified as a section 509(a)(1) organization.

You are required to make your annual information return, Form 990 or Form 990-EZ, available for public inspection for three years after the later of the due date of the return or the date the return is filed. You are also required to make available for public inspection your exemption application, any supporting documents, and your exemption letter. Copies of these documents are also required to be provided to any individual upon written or in person request without charge other than reasonable fees for copying and postage. You may fulfill this requirement by placing these documents on the Internet. Penalties may be imposed for failure to comply with these requirements. Additional information is available in Publication 557, Tax-Exempt Status for Your Organization, or you may call our toll free number shown above.

If we have indicated in the heading of this letter that an addendum applies, the addendum enclosed is an integral part of this letter.

Letter 1050 (DO/CG)

MIDDLE SCHOOL ADVOCATES INC

Because this letter could help resolve any questions about your private foundation status, please keep it in your permanent records

If you have any questions, please contact the person whose name and telephone number are shown above.

Sincerely yours,

Lois G. Lerner

Lois G Lerner
Director, Exempt Organizations

for

BY-LAWS

OF

MIDDLE SCHOOL ADVOCATES, INC.

ARTICLE I

Articles of Incorporation

The Name, Purposes, Limitations, Duration, and Board of Directors of Middle School Advocates, Inc. sometimes hereinafter referred to as "Middle School Advocates" or "the Corporation," are stated in its Articles of Incorporation.

ARTICLE II

Offices

Section A. Principal Office. The principal office of Middle School Advocates, Inc. shall be located in New Orleans, Louisiana.

Section B. Other Offices. The Corporation may have such additional offices within the State of Louisiana as the Board of Directors may establish

ARTICLE III

Structure

Section A. Members. The Corporation shall not be a membership organization, and shall have no members.

Section B. Stock. The Corporation shall be organized on a non-stock basis

ARTICLE IV

Board of Directors

Section A. General Powers. Subject to the limitations contained within the provisions of the Louisiana Non-profit Corporation law (La. R.S. 12.201 et seq.), the Articles of Incorporation, these By Laws, and all policies established by the Corporation's Board of Directors, the Board of

Directors shall set the policies of the Corporation, shall supervise, manage, and control the affairs and activities of the Corporation, and may adopt positions on issues of substance related to the purposes of the Corporation. All powers of this Corporation shall be exercised by, or under the authority of, the Board of Directors. Without prejudice to such general powers, but subject to the same limitations, it is hereby expressly declared that the Board of Directors shall have the following powers, to wit:

> First -- To select and remove the officers of this Corporation, to prescribe such powers and duties for them as may not be inconsistent with the Louisiana Non-profit Corporation law, the Articles of Incorporation, or these By Laws, and to employ, discharge, and fix the compensation of, Corporation personnel.
>
> Second -- To conduct, manage, control and establish policies concerning the affairs and business of the Corporation; to determine on an annual or other basis the substantive areas in which the Corporation's activities are to be concentrated; to establish on an annual or other basis the priorities of the Corporation; and to oversee generally the implementation of the Corporation's program.
>
> Third -- To borrow money and incur indebtedness for the purpose of the Corporation, and to cause to be executed and delivered therefor, in the name of the Corporation, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, or other evidences of debt and securities therefor

Among the policies to be set by the Board shall be policies prescribing the obligations of Board members with respect to fundraising and financial contributions, attendance at Board meetings, and commitment of time and effort to the affairs of the Corporation.

Section B. Number and Qualification of Directors. The authorized number of Directors, to be set by the Board of Directors, shall be no less than three (3), and no greater than fifteen (15).

Section C. Election and Term of Office. The terms of the initial Board of Directors, who are also the incorporators of the Corporation, shall be a term of one year which shall expire upon the election and qualification of their successors. Successor Directors, to be elected by the initial Board for a one-year term, shall be elected by majority vote of those presently serving as Directors at an annual, regular, or special meeting of the Board called for that purpose. Directors may serve consecutive terms.

Section D. Vacancies. Any vacancy occurring in the Board of Directors, shall be filled by the majority vote of the Directors then in office at an annual, regular, or special meeting called for that purpose. A Director elected to fill a vacancy shall be elected for the unexpired term of his or her predecessor in office. A Director elected to fill a vacancy resulting from an increase in the number of Directors shall serve until the next annual meeting of the Board of Directors.

Section E. Resignation and Removal. Any Director may resign at any time by notifying the Board President or Secretary in writing. Such resignation shall take effect on the date of receipt of such notice or at any other time therein specified, and, unless otherwise specified, the acceptance of such resignation shall not be necessary to make it effective. After reasonable notice and an opportunity to respond, a Director may be removed at any time, for cause, by a vote of two-thirds (2/3) of the Board of Directors then serving if in their judgment the best interests of the Corporation would be served thereby.

Section F. Compensation. Directors shall not receive any salaries or fees for their services as Directors, provided, however, that, to the extent permitted by law, nothing herein contained shall be construed to preclude any Director from serving the Corporation in any other capacity and receiving compensation therefor or from being reimbursed for ordinary and necessary expenses that he or she may incur in transacting business on behalf of the Corporation.

Section G. Indemnification of Directors. To the fullest extent permitted by law, the Corporation shall indemnify its Directors and Officers, or former Directors and Officers, against judgments and fines (whether civil, criminal, administrative, or investigative) and amounts paid in settlement, costs, and expenses (including reasonable attorneys' fees) actually and necessarily incurred by him or her in connection with the defense of any pending or threatened action, suit, or proceeding in which he or she is or may be made a party by reason of having been such Director or Officer, for acts or omissions committed within the scope of activity as a Director or Officer, provided that the Board of Directors determines that the person or persons to be indemnified reasonably believed that he or she was acting in the best interests of the Corporation, and did not act willfully, with gross negligence, or with fraudulent or criminal intent.

ARTICLE V

Officers of the Board

Section A. Officers. The Officers of the Corporation shall be a President, a Vice-President, and Secretary-Treasurer. The Corporation may also have, at the discretion of the Board of Directors, such other Officers as may be appointed by the Board of Directors.

Section B. Election. The Officers shall be elected annually by the Board of Directors and each shall hold office until he or she resigns, is removed, or otherwise is disqualified to serve, or until his or her successor is elected. Officers may serve more than one term. Vacancies (due to removal, resignation, disqualification, death, or otherwise) may be filled for the unexpired portion of the term, or new offices created and filled, at any meeting of the Board of Directors, by majority vote of the Board of Directors.

Section C. Resignation and Removal. Any Officer may resign his or her office at any time by notifying the President or Secretary in writing. Such resignation shall take effect on the date of receipt of such notice or at any other time therein specified, and, unless otherwise specified, the acceptance of such resignation shall not be necessary to make it effective. An Officer may be removed at any time, for cause, by a vote of two-thirds (2/3) of the Board of Directors then serving if in their judgment the best interests of the Corporation would be served thereby

Section D. President. The President of the Board of Directors shall, if present, preside at all meetings of the Board and of the Executive Committee and shall exercise and perform such other powers and duties as may be assigned to him or her from time to time by the Board or prescribed by these By Laws.

Section E. Vice-President. The Vice-President of the Board of Directors shall preside at all meetings of the Board in the absence of the President, and shall exercise and perform such other powers and duties as may be assigned to him or her by the Board of Directors or the President.

Section F Secretary. The Secretary shall keep on behalf of the Corporation a book of minutes of all meetings of the Board of Directors, and the Executive Committee and any committees having the authority of the Board of Directors, with the time and place of holding, how

called or authorized, the notice thereof given, the names of those present, and the proceedings thereof. The Secretary shall also see that all notices are duly given in accordance with these By Laws or as required by law. The Secretary may direct that the foregoing responsibilities be carried out by a qualified member of the staff of the Corporation. The Secretary shall be the custodian of the corporate records of the Corporation, and, in general, shall perform all duties incident to the office of Secretary and such other duties as may from time to time be assigned by the Board of Directors or the President.

Section G. Treasurer. The Treasurer shall keep and maintain adequate and correct books of account showing the receipts and disbursements of the Corporation, and an account of its cash and other assets, if any. Such books of account shall at reasonable times be open to inspection by any Director. The Treasurer shall deposit all monies of the Corporation with such bank as is designated by the Board of Directors, and shall disburse the funds of the Corporation as may be ordered by the Board and shall render to the President of the Board of Directors, upon request, statements of the financial condition of the Corporation. The Board of Directors may direct that the foregoing responsibilities be carried out by a qualified member of the staff of the Corporation. The Treasurer shall also, in general, perform all duties incident to the office of Treasurer and such other duties as may from time to time be assigned by the Board of Directors or the President.

ARTICLE VI

Committees of the Board

Section A. Executive Committee. There may be an Executive Committee of the Board of Directors composed of all Officers, and such other Directors as shall be elected to the Executive Committee by majority vote of the Board of Directors. Meetings of the Executive Committee may be called by the President, by any two members of the Executive Committee, or by the Executive Director upon written notice to the members of the committee of the time, place and purpose of such meeting. Subject to any limitation imposed by law, the Articles of Incorporation or by resolution of the Board of Directors, the Executive Committee is empowered to authorize the

initiation of any action or activity by the Corporation, or interpret and communicate the position of the Corporation on issues related to the Corporation's purposes and activities, where in its judgment an urgent situation exists which requires prompt action on the part of the Corporation. The Executive Committee also may conduct other business of the Corporation requiring urgent attention, provided that it does not take any action contrary to any policy adopted by the Board.

Section B. Other Board Committees. In addition to the Executive Committee that is established by these By Laws, the Board of Directors may create and organize itself, and to include persons who are not Directors, into various other committees in order to better fulfill its responsibilities. Any such committee shall not be authorized to act on behalf of the Corporation, but shall serve solely in an advisory capacity in making such recommendations to the Board of Directors as it concludes are desirable or expedient.

ARTICLE VII

Meetings of the Board

Section A. Annual Meetings. There shall be an annual meeting of the Board of Directors at such time and place as the Board shall determine at the final regular meeting of the year Notice shall be sent by the Secretary at least fourteen [14] days prior thereto to each Director, either by mail or by telecopy, directed to his or her address or telecopy number, as shown upon the records of the Corporation.

Section B. Regular Meetings. The Board of Directors shall meet monthly at such time as shall be determined by the Board. The Secretary shall send notice by mail to all Directors at least twenty one [21] days in advance, including therein a request for motions and issues on the agenda as well as a self-addressed envelope. All Directors shall then be entitled to submit by motion those issues that he or she wishes the Board to address at the upcoming meeting. They must be placed in the mail at least fourteen [14] days before the scheduled meeting. Those motions submitted shall form the agenda of the meeting, a copy of which the Secretary shall send to all Directors seven [7] days beforehand, either by mail, telecopy, or personal delivery. Issues outside of this agenda may

not be raised at the meeting. At any meeting, any Director may move for new issues to be immediately placed on the agenda for the next meeting.

Section C. Special Meetings. Special meetings of the Board of Directors for any purpose may be called at any time by the President or by any three members of the Executive Committee, or by any group of Directors comprising at least one-third [1/3] of the Board of Directors then serving. The person or persons calling a meeting shall submit a written motion to the Secretary by mail or telecopy at least fourteen (14) days before the desired meeting. These motions shall set forth the purpose of the meeting, as well as the time and place. The Secretary shall then send notice of the meeting to all Directors at least seven days prior thereto. The Directors in attendance may raise new issues at the meeting.

Section D. Committee Meetings. Written notice of the time and place of all Committee meetings shall be given to each member or sent to each either personally or by mail, addressed to his or her address as it is shown upon the records of the Corporation, or by telecopy directed to the telecopy number shown upon the records of the Corporation. In case such notice is mailed it shall be deposited in the United States mail at least ten [10] days prior to the time of the holding of the meeting. In case such notice is given by telecopy or facsimile, such notice shall be transmitted at least five [5] days prior to the time of the holding of the meeting

Section E. Notice of Meeting. Such mailing or delivery by the Secretary for purposes of Board of Director and Committee meetings, as described above, shall be due, legal, and personal notice to such Director or Member. All notices shall specify, in addition to the time and place of such meeting, the purpose of amending the Articles of Incorporation or these By Laws or electing or removing one or more Directors or Officers, if such be a purpose of the meeting, and such other matters, if any, as may be required by law.

Section E. Waiver of Notice. Any Director may waive notice of any meeting. The attendance of any Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened. The transactions

of any meeting of the Board of Directors, or of the Executive Committee or any other committee of the Board, however called and noticed or wherever held, shall be deemed valid as though a meeting had been duly noticed and held if, before or after the meeting, Directors who are not present sign a written waiver of notice or a consent to holding such meeting, or an approval of the minutes thereof. All such waivers, consents, or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

Section F. Quorum. Not less than one-half (1/2) of the Directors currently serving, shall be necessary to constitute a quorum for the transaction of business at any meeting of the Board of Directors, and not less than one-half (1/2) of the Directors presently serving on the Executive Committee or any other committee shall be necessary to constitute a quorum for the transaction of business at any such committee meeting, but in no event shall a quorum consist of fewer than three Directors. Any or all Directors may participate in any meeting of the Board of Directors, the Executive Committee, or any other committee of the Board by means of a telephone conference by which all persons are able to hear one another as well as by proxy, and such participation shall constitute presence in person at the meeting

Section G. Manner of Acting. Every act or decision done or made by a majority of the Directors present at a meeting duly held at which a quorum is present shall be regarded as the act of the Board of Directors, or of the Executive Committee or other committee of the Board (if the act or decision is done or made by committee), except where these By Laws require decisions by a majority or more of the Directors presently serving. Any action required or permitted to be taken at a meeting of the Board of Directors, the Executive Committee, or other committee of the Board may be taken without a meeting if a consent, in writing, setting forth the action to be taken, shall be signed by all of the Directors entitled to vote with respect to the subject matter thereof. Such consent shall have the same force and effect as a unanimous vote.

Section H. Adjourned Meetings and Notices Thereof Any Meeting of the Board of Directors, annual, regular, or special, or of the Executive Committee or any other committee of the Board, whether or not a quorum is present, may be adjourned by majority vote of the Directors

present, but in the absence of a quorum no other business may be transacted at such meeting. When any meeting of the Board of Directors, annual, regular, or special, or of the Executive Committee or any other committee of the Board, is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting, except it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting other than by announcement at the meeting at which such adjournment is taken.

Section I. Notice of Adjournment. Notice of the time and place of the holding of an adjourned meeting shall, if feasible, be given to absent Directors if the time and place is fixed at the meeting adjourned.

ARTICLE VIII

Miscellaneous

Section A. Tax Returns and Financial Statements. The Corporation shall file timely its annual federal income tax as required by the tax regulations and instructions.

Section B. Execution of Documents The Board of Directors may authorize any officer or officers, agent or agents, or the Executive Director, to enter into any contract or execute any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances Unless so authorized by the Board of Directors, no officer, agent, or other person shall have any power or authority to bind the Corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or to any amount.

Section C. Inspection of By Laws The Corporation shall keep in its principal office the original or a copy of these By Laws, as amended or otherwise altered to date, certified by the Secretary, which shall be open to inspection by the Board of Directors at all reasonable times during office hours.

Section E. Fiscal Year. The fiscal Year of the Corporation shall begin on the first day of January and end on the last day of December unless otherwise determined by the Board of Directors.

Section F. Accountant. The Corporation shall have the right to have an accountant

ARTICLE IX

Articles of Incorporation and By Laws

Section A. Alteration, Amendment, or Repeal. The Articles of Incorporation or these By Laws may be altered, amended, or repealed by the vote of a two-thirds majority of the Directors of the Corporation presently serving or by the written assent of a two-thirds majority of the Directors.

ADOPTED this 3 day of November, 1997. I certify that the foregoing By Laws of Middle School Advocates, Inc. were approved and adopted by and on behalf of the Corporation by its Board of Directors on Nov. 3, 1997, and are currently in effect.

Date: Nov. 3, 1997

Daniel Hernandez
Secretary

MIDDLE SCHOOL ADVOCATES, INC.

FINANCIAL AND COMPLIANCE AUDIT
TOGETHER WITH
INDEPENDENT AUDITORS' REPORT

FOR THE YEAR ENDED JUNE 30, 2004

Bruno & Tervalon LLP
Certified Public Accountants

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Bruno & Tervalon LLP
Certified Public Accountants

Member
American Institute of
Certified Public Accountants
Society of Louisiana
Certified Public Accountants

Michael B. Bruno, CPA
Alcide J. Tervalon, Jr., CPA
Waldo J. Moret, Jr., CPA
Paul K. Andoh, Sr., CPA

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Middle School Advocates, Inc.
New Orleans, Louisiana

We have audited the accompanying financial statements of the governmental activities, major fund, and the remaining fund information of **Middle School Advocates, Inc. (MSA)** (A Nonprofit Organization and a component unit of Orleans Parish School Board), as of and for the year ended June 30, 2004, which collectively comprise **MSA's** basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of **MSA's** management. Our responsibility is to express an opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, major fund, and the remaining fund information of **Middle School Advocates, Inc.**, as of June 30, 2004, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

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To the Board of Directors of
Middle School Advocates, Inc.
New Orleans, Louisiana
Page 2

In accordance with *Government Auditing Standards*, we have also issued our report dated December 17, 2004 on our consideration of MSA's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*, and should be read in conjunction with this report in considering the results of our audit.

The management's discussion and analysis on pages 3 to 11 and budgetary comparison information on page 33 are not a required part of the basic financial statements but are supplementary information required by Governmental Accounting Standards Board (GASB). We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Bruno & Tervalon LLP
BRUNO & TERVALON LLP
CERTIFIED PUBLIC ACCOUNTANTS

December 17, 2004

Middle School Advocate (MSA) management's discussion and analysis is intended to assist the reader in focusing on significant financial issues, provide an overview of the financial activity of **New Orleans Charter Middle School (the School)**, identify changes in **the School's** financial position and it's ability to address the next and subsequent year challenges. It also identifies any material deviations from the financial plan and identifies individual fund issues or concerns. This is a requirement of the Governmental Accounting Standards Board Statement No. 34 (GASB 34) "Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments" and is intended to provide the financial results for the fiscal year ended June 30, 2004. The following is an illustration on how these financial reports are presented.

MD&A
Management's Discussion and Analysis
(required and supplementary information)

Basic Financial Statements

Government-wide Financial Statements

Fund Financial Statements

Notes to the financial statements

Other required Supplementary Information
Required supplementary information
(other than MD&A expanded)

As indicated in the illustration, GASB 34 requires the presentation of two basic types of financial statements: Government Wide Financial Statements and Fund Financial Statements.

Government-Wide Financial Statements

The government-wide financial statements provide a perspective of **the School** as a whole. These statements use the full accrual basis of accounting similar to private sector companies. There are two government-wide statements: the Statement of Net Assets and the Statement of Activities.

The Statement of Net Assets combines and consolidates governmental funds' current financial resources (short-term spendable resources) with capital assets and long-term obligations, regardless if they are currently available or not.

Consistent with the full accrual basis method of accounting the Statement of Activities accounts for current year revenues and expenses regardless of when cash is received or paid. The intent of this statement is to summarize and simplify the user's analysis of the costs of various school services.

Fund Financial Statements

The fund statements are similar to financial presentations of typical governmental agencies, but the focus is on **the School**'s Major Funds rather than fund types as in the past. The fund statements are reported using the modified accrual method of accounting. Under this basis of accounting, revenues are recorded when received except where they are measurable and available and therefore represent resources that may be appropriated. Expenditures are accounted for in the period that goods and services are used in school programs. In addition, capital asset purchases are expensed and not recorded as assets. Debt payments are recorded as expenditures in the current year and future debt obligations are not recorded.

Fund types include the General Fund and Fiduciary Fund. The General Fund is used primarily to account for the general education requirements of **the School**. Its revenues are derived from state and federal distributions and grants. The Fiduciary Fund accounts for assets held by **the School** in a trustee capacity as an agent for various student groups and parents.

Summary of Net Assets

Assets	2004	2003	Change	%
Current assets	$ 1,349,116	$ 1,782,459	$ (433,343)	-24.31%
Capital assets	930,498	877,661	52,837	6.02%
Total assets	$ 2,279,614	$ 2,660,120	$ (380,506)	-14.30%
Liabilities				
Current liabilities	$ 183,422	$ 177,881	$ 5,541	3.12%
Long-term liabilities	-	635,733	(635,733)	-100 00%
Total liabilities	183,422	813,614	(630,192)	-77.46%
Net Assets				
Total capital assets, net of related debt	930,498	206,879	723,619	349.78%
Unrestricted	1,165,694	1,639,627	(473,933)	-28.90%
Total net assets	2,096,192	1,846,506	249,686	13.52%

As indicated in the statement above, total net assets increased by $249,686. This change results from a surplus of revenues over expenses in **the School**'s operations for the fiscal year. As indicated, this net change represents a 13.52% increase over net assets in 2003.

Total liabilities decreased by $630,192 or 77%. Long-term liabilities were reduced after the mortgage with Liberty Bank was paid in full. **The School** currently has no outstanding notes or mortgages payable.

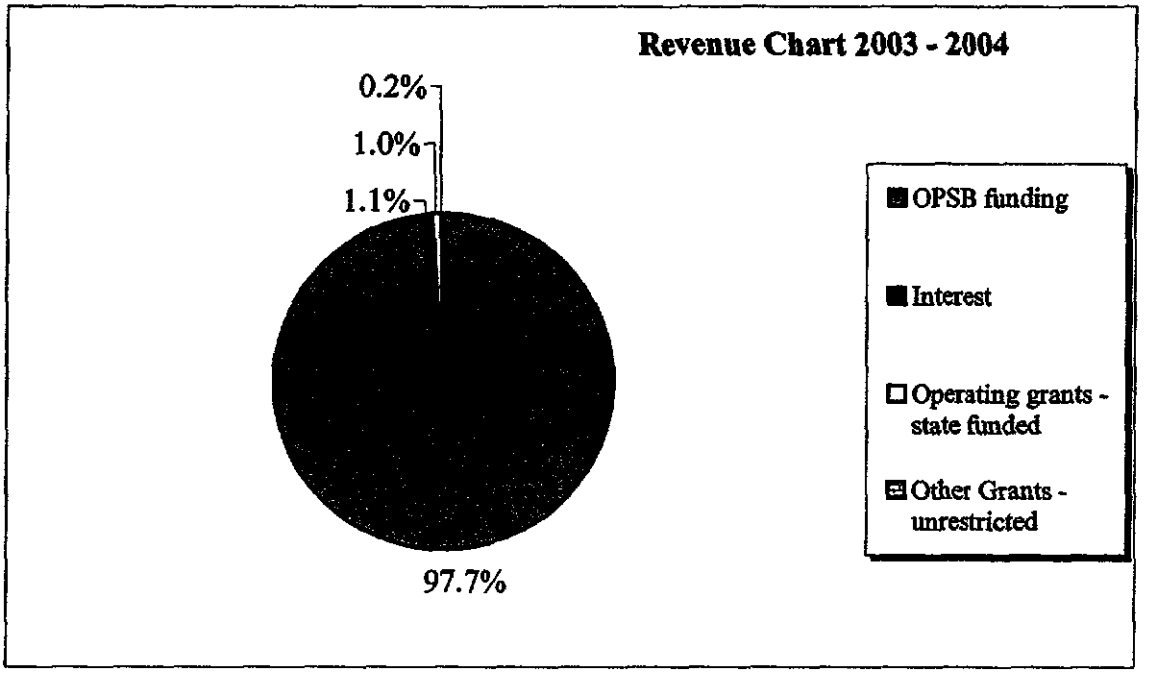
Changes in the School's Results of Operations

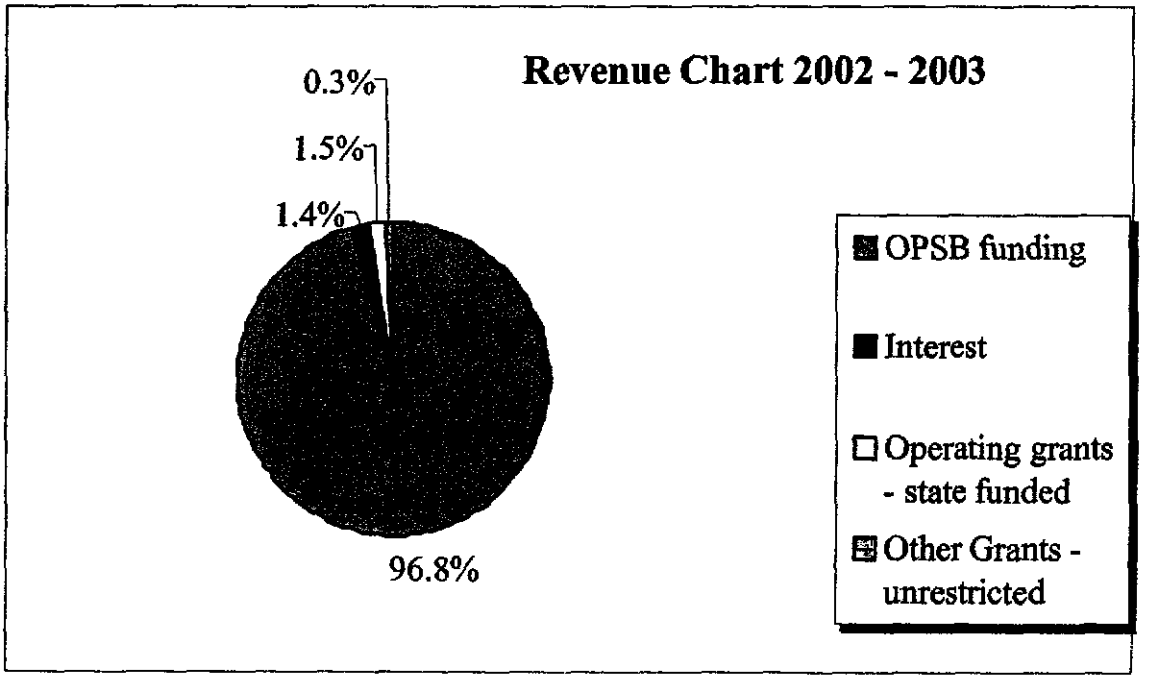
	2004	2003	Change	%
Program revenue				
Operating grants - state funded	$ 21,902	$ 31,548	$ (9,646)	-31%
Total program revenue	21,902	31,548	(9,646)	-31%
General revenue				
OPSB funding	2,198,875	2,097,048	101,827	5%
Interest	24,937	30,380	(5,443)	-18%
Other Grants - unrestricted	4,500	6,388	(1,888)	-30%
Other Revenue	-	411	(411)	-100%
Total general revenues	2,228,312	2,134,227	94,085	4%
Total revenues	2,250,214	2,165,775	84,439	4%
Expenses				
Instruction	1,116,017	906,307	209,710	23%
Support services	852,781	930,749	(77,968)	-8%
Interest on long-term debt	12,788	47,923	(35,135)	-73%
Depreciation - unallocated	18,942	18,158	784	4%
Total expenses	2,000,528	1,903,137	97,391	5%
Change in net assets	$ 249,686	$ 262,638	$ (12,952)	-5%

Changes in **the School's** revenues are reflected in the table above. Funding from Orleans Parish Schools increased by $101,827. This is due to a change in funding from $6,026 per student in 2003 to $6,125 in 2004 and an increase in student enrollment from 348 to 359. Other grants in 2004 include Arts Council, a student literary program, and New Orleans Town Gardeners, which supplements the gardening elective program State funded grants in 2003-04 included a Louisiana School Improvement grant and an additional charter school funding grant, which were not included in 2002-03. Overall revenues in 2004 increased by 4%, which is primarily due to the increase in per pupil revenue.

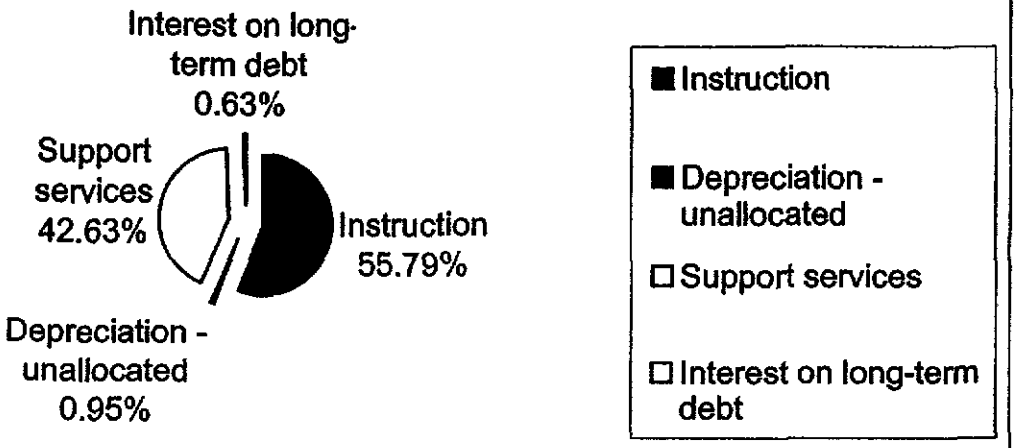
Instruction related expenses increased by 23% due mainly to an increase in the number of regular teaching positions The increase in the number of teaching positions was necessary to accommodate the increase in student enrollment as well as the implementation of a specialized reading support curriculum. The decrease in interest on long-term debt was directly related to the payoff of the mortgage on the building. The overall decrease in the change in net assets from 2003 to 2004 relates to the increase in per pupil funding offset by the increase in instructional expense and the decrease in interest on long-term debt.

The following charts show detail revenues and expenditures as a percentage of current year totals. As indicated in the charts the composition of revenue sources and targets for expenditures changed only minimally from 2003 to 2004.

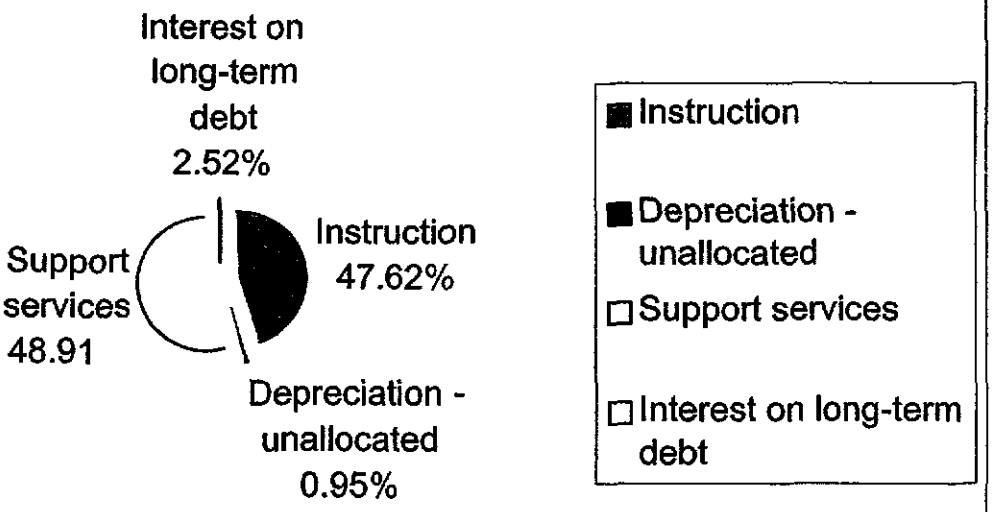




Expenditures 2003 - 2004



Expenditures 2002 - 2003



Minimum Foundation Program

A significant portion of state funding to **the School** is through the minimum foundation program (MFP). The MFP is funding from the state for each student and is established annually. **The School's** MFP funding is $6,125 per student for the 2003-04 school year. This is an increase of 2% or $99 over **the School's** 2002-03 MFP funding of $6,026 per student. The number of students to be funded is calculated by the student enrollment count on October 1 of the current year. The total student enrollment for the 2003-04 school year was 359.

Capital Assets and Debt Administration

Capital Assets

At June 30, 2004, **the School** had $999,929 invested in several classes of capital assets, including land, buildings, furniture and equipment. Improvements to existing buildings totaled $58,692 in 2004. Fiscal years 2004 and 2003 are shown below: Accumulated depreciation increased significantly due to the first full year of building depreciation.

Assets	**2004**	**2003**
Land	$ 372,200	$ 372,200
Buildings and additions	571,561	512,869
Furniture and equipment	56,168	43,081
Subtotal	999,929	928,150
Less accumulated depreciation	$ 69,431	$ 32,331
Net capital Assets	$ 930,498	$ 895,819

Debt

The School had no outstanding debt at June 30, 2004. The building mortgage with Liberty Bank was paid in full on October 6, 2003.

Original vs. Revised Budget

The Board of Directors of **MSA** adopts the operating budget of **the School** by May 1 of each year and sends the final adopted budget to Orleans Parish School Board within five days after its adoption.

For fiscal year 2003-04, the budget was amended in January, 2004. The General Fund budget for revenues was not affected by budget revisions. This was different than prior years because the final student enrollment count and the actual per pupil allocation were available at the time of preparation of the initial budget.

General Fund Revenues

Total revenues revised budget	$2,218,033
Total revenues original budget	$2,218,033

Increase in Revenue Budget

The School's actual general fund revenues of $2,228,312 were greater than the revised budget by $10,279 a variance of less than 1%. This variance was created by private grants and donations.

General fund expenditures

Total expenditures revised budget	$2,009,476
Total expenditures original budget	$2,024,224

Increase in Expenditure Budget

As indicated above, **the School's** original general fund expenditures budget of $2,009,476 was less than the revised budget by $14,748, a difference of less than 1%.

Economic Factors and Next Year's Budget

During the 2003-2004 fiscal year, **the School** worked with Concordia, LLC to develop a strategic plan to renovate and refurbish the physical plant. The Campus Master Plan for **New Orleans Charter Middle School** was created to help guide the institution in the development of facilities and open space for the future. It was designed to be a guide, specific enough to provide direction, yet flexible enough to meet the changing needs of the institution in years to come. The result of the planning process was a series of four flexible options, allowing **the School** to expand its operations either by continuing as a middle school, expanding its enrollment as a middle school or by converting to an elementary/middle school (K-8). The plan also includes central green space, a multi-use play field, a safe bus route, and improved parking. The timeline for construction ranges from a minimum of 12-15 months to modestly improve the campus, costing approximately 1.1 million dollars, to the extreme of 21-27 months to fully renovate the campus for grades K – 8 at an approximate cost of 3 8 million dollars. Funding for the process will utilize a combination of revenue sources including but not limited to prior year fund balance, current operating revenues and various fund-raising projects. Further details related to the master plan can be found by reviewing the document available upon request.

Contacting the School's Business Manager

This financial report is designed to provide citizens, taxpayers, customers, investors and creditors with a general overview of **the School's** finances and demonstrate **the School's** accountability for money it receives. If you have questions about this report or need additional information, contact Ms. Terri Vincent, Business Office at ***New Orleans Charter Middle School,*** *3801* Monroe Street, New Orleans, LA. 70118.

MIDDLE SCHOOL ADVOCATES, INC.
STATEMENT OF NET ASSETS
JUNE 30, 2004

	Governmental Activities
ASSETS	
Current Assets:	
Cash and cash equivalents	$1,045,649
Grants receivable	3,507
Other receivables	11,314
Prepaid expenses	56,149
Due from OPSB (NOTE 6)	232,497
Total current assets	1,349,116
Noncurrent assets:	
Capital assets (NOTE 4)	999,929
Less accumulated depreciation (NOTE 4)	(69,431)
Total noncurrent assets	930,498
Total assets	2,279,614
LIABILITIES	
Current liabilities:	
Accounts payable	15,637
Accrued salaries and payroll liabilities	167,785
Total current liabilities	183,422
Total liabilities	183,422
NET ASSETS	
Invested in capital assets	930,498
Unrestricted	1,165,694
Total net assets	$2,096,192

The accompanying notes are an integral part of these financial statements.

MIDDLE SCHOOL ADVOCATES, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2004

		PROGRAM REVENUES	GOVERNMENTAL ACTIVITIES
	Expenses	Operating Grants	Net (Expense) Revenue and Changes in Net Assets
FUNCTIONS/PROGRAMS			
Governmental Activities			
Instruction:			
Regular	$1,025,487	$21,902	$(1,003,585)
Special	17,217	-0-	(17,217)
Support Services:			
Pupil	78,158	-0-	(78,158)
School administration	372,548	-0-	(372,548)
Business services	73,003	-0-	(73,003)
Plant	213,159	-0-	(213,159)
Student transportation	189,226	-0-	(189,226)
Interest on long-term debt	12,788	-0-	(12,788)
Depreciation - unallocated	18,942	-0-	(18,942)
Total governmental activities	$2,000,528	$21,902	(1,978,626)
General Revenues:			
OPSB funding			2,198,875
Interest			24,937
Grants			4,500
Total general revenues			2,228,312
Change in net assets			249,686
Net assets, beginning			1,846,506
Net assets, ending			$2,096,192

The accompanying notes are an integral part of these financial statements.

MIDDLE SCHOOL ADVOCATES, INC.
BALANCE SHEET - GOVERNMENTAL FUND
JUNE 30, 2004

ASSETS

	General Fund
Cash and cash equivalents	$1,045,649
Grants receivable	3,507
Other receivables	11,314
Prepaid expenses	56,149
Due from OPSB (NOTE 6)	232,497
Total assets	$1,349,116

LIABILITIES AND FUND BALANCE

Liabilities:	
Accounts payable	$ 15,637
Accrued salaries and payroll liabilities	167,785
Total liabilities	183,422
Fund Balance:	
Undesignated	1,165,694
Total fund balance	1,165,694
Total liabilities and fund balance	$1,349,116

The accompanying notes are an integral part of these financial statements.

MIDDLE SCHOOL ADVOCATES, INC.
RECONCILIATION OF THE BALANCE SHEET-
GOVERNMENTAL FUND TO THE STATEMENT OF NET ASSETS
JUNE 30, 2004

Total fund balance-Governmental Fund		$1,165,694
Amounts reported for governmental activities in the Statement of Net Assets are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the fund (NOTE 4):		
The cost of capital assets is	$ 999,929	
Accumulated depreciation is	(69,431)	930,498
Net assets of governmental activities		$2,096,192

The accompanying notes are an integral part of these financial statements.

MIDDLE SCHOOL ADVOCATES, INC.
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-GOVERNMENTAL FUND
FOR THE YEAR ENDED JUNE 30, 2004

	General Fund
REVENUES	
From Local Sources:	
Private grants	$ 4,500
Interest	24,937
Total revenues from local sources	29,437
From State Sources:	
OPSB funding	2,198,875
Grants	21,902
Total revenues from state sources	2,220,777
Total revenues	2,250,214
EXPENDITURES	
Instruction:	
Regular	1,025,487
Special	17,217
Support Services:	
Pupil	78,158
School administration	385,635
Business services	73,003
Plant	213,159
Student transportation	189,226
Debt service	683,059
Facility acquisition and construction	58,692
Total expenditures	2,723,636
Deficiency of revenues over expenditures	(473,422)
Fund balance, beginning	1,639,116
Fund balance, ending	$1,165,694

The accompanying notes are an integral part of these financial statements.

MIDDLE SCHOOL ADVOCATES, INC.
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUND TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2004

Total net change in fund balance - Governmental Fund	$(473,422)
Amounts reported for governmental activities in the Statement of Activities are different because:	
The Governmental Fund reported capital outlays as expenditures whereas in the Statement of Activities, these costs are depreciated over their estimated lives:	
Capital outlays	71,779
Depreciation expense	(18,942)
Repayment of note principal is an expenditure in the governmental fund, but it reduces long-term liabilities in the Statement of Net Assets and does not affect the Statement of Activities	670,271
Change in net assets of governmental activities	$ 249,686

The accompanying notes are an integral part of these financial statements.

MIDDLE SCHOOL ADVOCATES, INC.
STATEMENT OF FIDUCIARY NET ASSETS
JUNE 30, 2004

	AGENCY FUND
ASSETS	
Cash and cash equivalents	$ 6,989
Enrichment and retreat fees receivable	5,305
	$12,294
LIABILITIES	
Due to student groups	$12,294

The accompanying notes are an integral part of these financial statements.

NOTE 1 - Introduction:

The Orleans Parish School Board (OPSB), authorized by the Charter School Demonstration Programs Law, granted a charter to **Middle School Advocates, Inc. (MSA),** the sponsor, for the creation of the **New Orleans Charter Middle School (the School).** **MSA** is a nonprofit organization organized under the laws of the State of Louisiana and is exempt from taxation under Section 501(c)(3) of the Internal Revenue Code. Although **the School** is the responsibility of **MSA,** it is recognized as a component unit of the OPSB. The charter is valid for an initial period of five (5) years commencing on July 1, 1998 and ended on June 30, 2003 and on May 12, 2003, OPSB approved the renewal of the Charter of **MSA** for a five year period, commencing July 1, 2003 and ending on June 30, 2008.

The School's primary role is to provide a high quality education for the students it serves by attending to the students' social and emotional development, thus providing a foundation for success in a challenging academic program. **The School** will also expose students to a range of experiences designed to develop them as individuals and to nurture a sense of membership in a school community where they feel supported and learn mutual responsibility. Student enrollment for the 2004 school year was 359.

NOTE 2 - Summary of Significant Accounting Policies:

A) **Financial Reporting**

MSA follows the provisions of GASB Statement No. 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments, as amended by GASB Statement No. 37 and No. 38, and applied those standards on a retroactive basis. GASB Statement No. 34 establishes standards for external financial reporting for state and local governments and requires that resources be classified for accounting and reporting purposes into the following three net asset categories:

NOTE 2 - Summary of Significant Accounting Policies, Continued:

A) **Financial Reporting, Continued**

Invested in Capital Assets - consists of capital assets, net of accumulated depreciation.

Restricted Net Assets - result when constraints placed on net assets use are either externally imposed by creditors, grantors, contributions, and the like, or imposed by law through constitutional provisions or enabling legislation. At June 30, 2004, MSA had no restricted net assets.

Unrestricted Net Assets - consist of net assets which do not meet the definition of the two preceding categories. Unrestricted net assets often are designated to indicate that management does not consider them to be available for general operations. Unrestricted net assets often have constraints on resources which are imposed by management, but can be removed or modified.

The Statement of Activities - demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable within a specific function. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. OPSB funding and other items not meeting the definition of program revenues are instead reported as general revenue.

NOTE 2 - Summary of Significant Accounting Policies, Continued:

B) **Reporting Entity**

The School is a component unit of the Orleans Parish School Board, the reporting entity, as defined by the Governmental Accounting Standards Board pronouncement. The accompanying financial statements present information only on the funds and accounts groups maintained by **MSA** and do not present information on the Orleans Parish School Board, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

C) **Funds**

MSA uses funds to maintain its financial records during the year. Fund accounting designed to demonstrate legal compliance and to aid management by segregating transactions related to certain **MSA** functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts. Funds of **MSA** are classified into two categories: governmental and fiduciary, as follows:

Governmental Funds

Governmental funds account for all or most of **MSA's** general activities. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources which may be used to finance future period programs or operations of **MSA**. The following is **MSA's** primary governmental fund:

NOTE 2 - Summary of Significant Accounting Policies, Continued:

C) **Funds, Continued**

General Fund - the primary operating fund of MSA and it accounts for all financial resources, except those required to be accounted for in other funds. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and accounting to MSA policy.

Fiduciary Fund - Agency Fund

The agency fund accounts for assets held by MSA as an agent for various student groups and related activities. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Consequently, the agency fund has no measurement focus, but does use the modified accrual basis of accounting.

D) **Measurement Focus/Basis of Accounting**

The Statement of Net Assets and the Statement of Activities display information about the reporting government as a whole. These statements include all the financial activities of MSA, except for the fiduciary fund. Fiduciary funds are reported only in the Statement of Fiduciary Net Assets at the fund financial statement level.

NOTE 2 - Summary of Significant Accounting Policies, Continued:

D) Measurement Focus/Basis of Accounting, Continued

Government-Wide Financial Statements (GWFS)

The GWFS were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions.*

Fund Financial Statements FFS

Government funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balance reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the governmental-wide statements and the statements for governmental funds are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

NOTE 2 - Summary of Significant Accounting Policies, Continued:

D) Measurement Focus/Basis of Accounting, Continued

Fund Financial Statements (FFS), Continued

Fund financial statements report detailed information about **MSA.** The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. At June 30, 2004, the general fund is the only major fund of **MSA.**

Governmental funds and the agency fund use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e. when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. **MSA** considers all revenues available if they are collected within 60 days after the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures.

Revenues

OPSB funding (see NOTE 2(I)) is recorded when available and measurable. Expenditure driven federal and state grants are recorded when the reimbursable expenditures have been incurred. Substantially all other revenues are recorded when received.

NOTE 2 - Summary of Significant Accounting Policies, Continued:

E) **Budgetary Data**

An annual budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America for the governmental fund - general fund.

MSA uses the following budget practices:

1. The Director, in consultation with the staff, prepares the School's annual operating budget. The budget is based on the expected OPSB allocated revenues and other projected revenues for pupil expenditures.

2. The Director presents the budget to MSA's Finance Committee for review and revision.

3. The Director and members of the Finance Committee present the proposed budget at an open meeting of the full Board. The Director gives advance notice to the OPSB's Superintendent of this meeting and provides the OPSB's Superintendent with a copy of the proposed budget with that notice.

4. The Board of Directors adopts the operating budget by May 1 of each year.

5. The final adopted budget is sent to the OPSB within five (5) days after its adoption.

NOTE 2 - Summary of Significant Accounting Policies, Continued:

E) Budgetary Data, Continued

6. The Director is authorized to reallocate budgeted items within line items, but may not increase the total amount authorized. If, during the course of the fiscal year, it becomes evident that the estimated revenues, expenditures or beginning fund balance may vary five (5) percent or more from the amount originally budgeted, then the Director shall inform **MSA's** Board of such variance. Based on the information submitted, the Board of Directors of **MSA** will adopt an amended budget and will seek ways to generate additional revenues for **the School**, if necessary.

7. All appropriations lapse at fiscal year end.

F) Cash and Cash Equivalents

Cash includes the amounts in demand deposits and interest-bearing demand deposits. Cash equivalents include amounts in time deposits with original maturities of ninety (90) days or less.

G) Capital Assets

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. **MSA** maintains a threshold level of $300 or more for capitalizing capital assets.

NOTE 2 - Summary of Significant Accounting Policies, Continued:

G) **Capital Assets, Continued**

Capital assets are recorded in the GWFS, but are not reported in the FFS. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public school purposes by MSA, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

Description	Estimate Useful Lives
Buildings and building improvements	10 - 50 years
Furniture and equipment	5 - 7 years

H) **Compensated Absences**

Vacation Leave

Vacation for full-time staff is accrued on a monthly basis. Staff receives two (2) weeks annual vacation for the first five (5) years of employment. After five (5) years, staff receives three (3) weeks of vacation. After eleven (11) years, staff receives four (4) weeks of vacation.

Staff members may carryover and accumulate vacation up to twenty (20) days. Vacation over 20 days will not accumulate and staff members will not be paid for these days if they are not used in the year they are earned. Upon leaving the employ of MSA, staff members will be paid for accumulated and unused vacation days up to twenty (20) days.

NOTE 2 - Summary of Significant Accounting Policies, Continued:

H) **Compensated Absences, Continued**

Paid Leave

Employees utilize earned or accrued leave in the event of their own illness, a family illness, bereavement, or for personal business. Such paid leave may be used for the purpose of visiting doctors, dentists or other recognized practitioners. Employees may also use paid leave for the above reasons when it relates to immediate family members only. Unused paid leave can be carried over and accumulated up to 180 hours (30) days; however, **MSA** will not pay the employee for accrued and unused paid leave upon termination from employment.

I) **Funding Sources**

OPSB Funding

Subject to the provisions contained in the charter, **MSA** receives funding from the Orleans Parish School Board in an amount for each pupil based on the average daily membership in **the School** that is equal to the average current operating expenditure per pupil received by OPSB pursuant to the most recent legislatively approved Minimum Foundation Program formula, including appropriate weighted favors, and from other revenue sources expended by OPSB on schools of the same grades within its system.

Other Funding

Other revenues received by **MSA** consist of contributions, and private and public grants.

NOTE 2 - Summary of Significant Accounting Policies, Continued:

J) **Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

K) **Assets Purchased with Public Funds**

If the charter agreement of **the School** is revoked or **the School** otherwise ceases to operate, all assets purchased with any public funds become the property of the OPSB.

NOTE 3 - Concentration of Credit Risk:

MSA maintains its cash and cash equivalents accounts with a bank located in Louisiana. The total cash balances are insured by Federal deposit insurance up to $100,000 and secured with $1,408,217 of pledged securities held by a custodial bank in the name of the fiscal agent bank.

NOTE 4 - Capital Assets:

Capital assets and depreciation activity as of and for the year ended June 30, 2004 is as follows:

	Balance July 1, 2003	Additions	Deletions	Balance June 30, 2004
Assets				
Land	$372,200	$ -0-	$-0-	$372,200
Building	512,869	-0-	-0-	512,869
Construction in progress	-0-	28,302	-0-	28,302
Building improvements	-0-	30,390	-0-	30,390
Furniture and equipment-OPSB	6,983	-0-	-0-	6,983
Furniture and equipment-MSA	36,098	13,087	-0-	49,185
Sub-total	928,150	71,779	-0-	999,929
Accumulated depreciation				
Building	10,257	10,258	-0-	20,515
Building improvements	-0-	2,287	-0-	2,287
Furniture and equipment-OPSB	6,983	-0-	-0-	6,983
Furniture and equipment-MSA	33,249	6,397	-0-	39,646
Sub-total	50,489	18,942	-0-	69,431
Net capital assets	$877,661	$ 52,837	$-0-	$930,498

NOTE 5 - Pension Plan:

MSA has a 403(b) deferred compensation plan covering substantially all employees. Covered employees may elect to contribute up to 14% of their salaries. MSA elects to contribute 6% of covered employees' salaries as pension contributions. MSA's contributions were $50,251 for the 2004 fiscal year.

NOTE 6 - Due from OPSB:

At June 30, 2004, amounts due from Orleans Parish School Board (OPSB) consist of the following amounts:

Due from OPSB for per pupil funding	$ 366,479
Due to OPSB for reimbursed expenditures	(133,982)
Net due from OPSB	$ 232,497

NOTE 7 - Risk Management:

MSA is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; employee health; and natural disasters for which MSA carries commercial insurance.

NOTE 8 - Long-Term Obligation:

The following is a summary of the long-term obligation transactions for the year ended June 30, 2004:

	Note Payable
Long-term obligation at July 1, 2003	$ 670,271
Additions	-0-
Deductions	(670,271)
Long-term obligation at June 30, 2004	$ -0-

SUPPLEMENTARY INFORMATION

MIDDLE SCHOOL ADVOCATES, INC.
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2004

	Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget Positive(Negative)
REVENUES				
From Local Sources:				
Private grants	$ 4,650	$ 4,650	$ 4,500	$ (150)
Interest	40,000	40,000	24,937	(15,063)
Total revenues from local sources	44,650	44,650	29,437	(15,213)
From State Sources.				
OPSB funding	2,157,308	2,157,308	2,198,875	41,567
Grants	16,075	16,075	21,902	5,827
Total revenues from state sources	2,173,383	2,173,383	2,220,777	47,394
Total revenues	2,218,033	2,218,033	2,250,214	32,181
EXPENSES				
Instruction:				
Regular	1,067,583	1,040,873	1,025,437	15,386
Special	18,368	15,701	17,217	(1,516)
Support Services:				
Pupil	80,970	97,124	78,158	18,966
School administration	354,808	355,633	372,548	(16,915)
Business services	62,177	69,667	73,003	(3,336)
Plant	231,185	221,350	213,159	8,191
Student transportation	196,339	196,339	189,226	7,113
Interest on long-term debt	12,789	12,789	12,788	1
Depreciation - unallocated	-0-	-0-	18,942	(18,942)
Total expenses	2,024,224	2,009,476	2,000,528	8,948
Excess of revenues over expenses	193,809	208,557	249,686	41,129
Net assets, beginning	1,846,506	1,846,506	1,846,506	-0-
Net assets, ending	$2,040,315	$2,055,063	$2,096,192	$ 41,129

See Independent Auditors' Report on Required Supplementary Information.

Bruno & Tervalon LLP
Certified Public Accountants

Member
American Institute of
Certified Public Accountants
Society of Louisiana
Certified Public Accountants

Michael B. Bruno, CPA
Alcide J. Tervalon, Jr., CPA
Waldo J. Moret, Jr., CPA
Paul K. Andoh, Sr., CPA

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Directors of
Middle School Advocates, Inc.
New Orleans, Louisiana

We have audited the financial statements of **Middle School Advocates, Inc. (MSA) (A Nonprofit Organization)** as of and for the year ended June 30, 2004, and have issued our report thereon dated December 17, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether **MSA's** financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted an immaterial instance of noncompliance that we have reported to management of **MSA** in a separate letter dated December 17, 2004.

4298 ELYSIAN FIELDS AVENUE, NEW ORLEANS, LA 70122
(504) 284-8733 FAX (504) 284-8296
E-MAIL brunterv@btcpas.com

Internal Control Over Financial Reporting

In planning and performing our audit, we considered **MSA's** internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the Board of Directors, management, the Orleans Parish School Board and the Louisiana Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Bruno & Tervalon LLP
BRUNO & TERVALON LLP
CERTIFIED PUBLIC ACCOUNTANTS

December 17, 2004

MIDDLE SCHOOL ADVOCATES, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2004

I. SUMMARY OF AUDITORS' RESULTS

A. The type of report issued on the financial statements: **unqualified opinion**

B. Reportable conditions in internal control were disclosed by the audit of the financial statements: **none reported** material weaknesses: **no**

C. Noncompliance which is material to the financial statements: **no**

D. Reportable conditions in internal control over major programs: **not applicable** material weaknesses: **not applicable**

E. The type of report issued on compliance for major programs: **not applicable**

F. Any audit findings which are required to be reported under section 510(a) of OMB Circular A-133: **not applicable**

G. Major programs: **not applicable**

H. Dollar threshold used to distinguish between Type A and Type B programs: **not applicable**

I. Auditee qualified used to distinguish between Type A and Type B programs: **not applicable**

J. Management letter issued: **yes**

II. FINDINGS RELATING TO THE FINANCIAL STATEMENTS REPORTED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

No matters reported.

III. FINDINGS AND QUESTIONED COSTS RELATED TO FEDERAL AWARDS

Not applicable.

MIDDLE SCHOOL ADVOCATES, INC.
SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2004

I - Internal Control and Compliance Material to the Financial Statements.

No findings were reported.

II - Internal Control and Compliance Material to Federal Awards

Not applicable.

III - Management Letter

See status of prior year findings in management letter dated December 17, 2004.

Business Profile – NEW ORLEANS CHARTER MIDDLE SCH

Subcode: 348780 **Ordered** 02/10/2005 14 13 21
Search Inquiry *File Number X13659397*

experian

*** FOR DEMONSTRATION PURPOSES ONLY – THIS REPORT NOT TO BE SOLD ***

Company Information

NEW ORLEANS CHARTER MIDDLE SCH 3801 MONROE ST NEW ORLEANS, LA 70118 (504) 486-0804	**Experian File Number:** X13659397 **Experian File Established:** 12/1991 **SIC code:** ELEMENTARY & SECONDARY SCHOOLS – 8211

Executive Summary

Current DBT range compared to all industries*

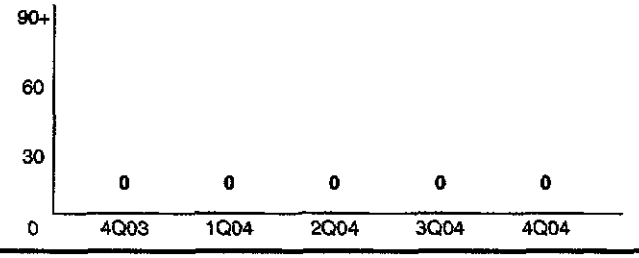
0 DBT
($3,100 Balance)



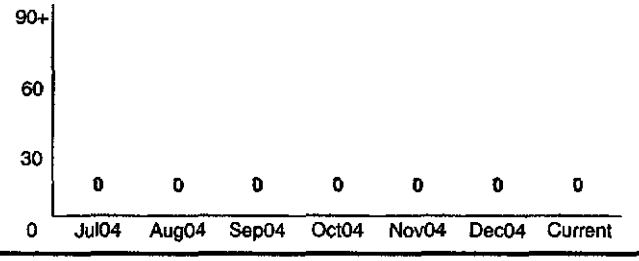
% of US businesses falling within DBT range

DBT Norms:
All industries. **7 DBT** Same industry **11 DBT**

Quarterly DBT trends (previous 5 quarters)



7 month DBT trends



Legal Filings and Collections

Bankruptcy filings	0
Tax lien filings	0
Judgment filings	0
Total collections	0
Sum of legal filings	$0
UCC filings.	0
Cautionary UCC filings present?	No

Trade Information

Monthly average DBT	0
Highest DBT previous 6 months	0
Highest DBT previous 5 quarters	0
Total continuous trades:	6
Current continuous trade balance*	$3,100
Trade balance of all trades (7)	$5,800
Average balance previous 5 quarters	$4,440
Highest credit amount extended details	$6,500
6 month balance range	$3,100 – $7,900

Performance Analysis

Predicted DBT for 04/05/2005: 1 DBT

Payment Trend Indication:
Are Stable

Industry payment comparison:
Has paid sooner than 50% of similar firms

Most Frequent Industry Purchasing Terms:
NET 30, CREDIT, and CONTRCT

** Days Beyond Terms (DBT) is a dollar weighted calculation of the average number of days that payment was made beyond the invoice due date based on trades on file that have been updated in the previous 3 months*

Trade Payment Information

Trade Payment Experiences (Trade Lines With an (*) after date are newly reported)							Account Status Days Beyond Terms				
Business Category	Date Reported	Last Sale	Payment Terms	Recent High Credit	Balance	Cur	1-30	31-60	61-90	91+	Comments
+BLDG MATRL	12/2004	12/2004	CREDIT	$800	$200	100%					CUST 4 YR
GENL MERCH	12/2004		CREDIT		$0						CUST 2 YR
+OFFC SUPPL	12/2004	12/2004	CREDIT	$6,500	$2,800	100%					CUST 6 YR
PRNTG&PUBL	10/2004		VARIED		$0						
SPORT GDS	12/2004	10/2001	NET 30		$0						
=WAREHOUSE	01/2005	12/2004	VARIED	$1,300	<$100	100%					

Trade Payment Totals

Trade Payment Experiences					Account Status Days Beyond Terms				
Type	Lines Reported	Recent High Credit	Balance	Cur	1-30	31-60	61-90	91+	Comments
Continuously Reported	6	$8,600	$3,100	100%					DBT 0
Newly Reported	0								DBT
Trade Lines Totals	6	$8,600	$3,100	100%					DBT 0

Additional Payment Experiences

Trade Payment Experiences (Trade Lines With an (*) after date are newly reported)							Account Status Days Beyond Terms				
Business Category	Date Reported	Last Sale	Payment Terms	Recent High Credit	Balance	Cur	1-30	31-60	61-90	91+	Comments
+UTILITY	02/2003		NET	$7,900	$2,700	100%					PROMPT

Monthly Payment Trends

Payment Trends Analysis ELEMENTARY & SECONDARY SCHOOLS INDUSTRY SIC: 8211						Account Status Days Beyond Terms			
Date Reported	Industry Cur	Industry DBT	Business DBT	Balance	Cur	1-30	31-60	61-90	91+
CURRENT	N/A	N/A	0	$3,100	100%				
DEC04	71%	11	0	$3,900	100%				
NOV04	71%	10	0	$4,900	100%				
OCT04	72%	10	0	$5,000	98%	2%			
SEP04	74%	9	0	$7,900	100%				
AUG04	77%	9	0	$6,900	100%				
JUL04	77%	8	0	$6,400	100%				

Quarterly Payment Trends

Payment History – Quarterly Averages					Account Status Days Beyond Terms			
Quarter	Months	DBT	Balance	Cur	1–30	31–60	61–90	91+
Q4 – 04	OCT–DEC	0	$4,600	99%	1%			
Q3 – 04	JUL–SEP	0	$7,100	100%				
Q2 – 04	APR–JUN	0	$2,400	100%				
Q1 – 04	JAN–MAR	0	$4,200	100%				
Q4 – 03	OCT–DEC	0	$3,900	100%				

Company Background Information

Additional Company Background Information

Key Personnel
Principal(s): ANTHONY RECASNER, DIRECTOR
TONY RECASNER, PRINCIPAL

Primary SIC Code. ELEMENTARY & SECONDARY SCHOOLS – 8211

Years in Business. 5
Number of Employees. 30
Sales $1,443,000

**** AUTOMATE YOUR CREDIT DECISIONING PROCESS, ASK ABOUT DECISION INSIGHT TODAY! ****

End of report *1 of 1 report*

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BRUNO & TERVALON LLP CPAS
4298 Elysian Fields Ave
NEW ORLEANS, LA 70122
504-284-8733

March 29, 2004

Client's Copy

CONFIDENTIAL

MIDDLE SCHOOL ADVOCATES, INC.
3801 MONROE ST
NEW ORLEANS, LA 70118

Dear Dr Recasner:

We have prepared the enclosed returns from information provided by you without verification or audit We suggest that you examine these returns carefully to fully acquaint yourself with all items contained therein to ensure that there are no omissions or misstatements. Attached to each return is an instruction sheet for signing and filing. Please follow those instructions carefully.

Also enclosed is any material you furnished for use in preparing the returns. If the returns are examined, requests may be made for supporting documentation. Therefore, we recommend that you retain all pertinent records for at least seven years.

In order that we may properly advise you of tax considerations, please keep us informed of any significant changes in your financial affairs or of any correspondence received from taxing authorities

If you have any questions. or if we can be of assistance in any way, please call.

Sincerely,

BRUNO & TERVALON LLP CPAS

Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

▶ The organization may have to use a copy of this return to satisfy state reporting requirements

OMB No 1545-0047

2002

Open to Public Inspection

A For the 2002 calendar year, or tax year beginning 7/01/02 , and ending 6/30/03

Check if applicable:
- Address change
- Name change
- Initial return
- Final return
- Amended return
- Application pending

Please use IRS label or print or type. See Specific Instructions.

C Name of organization
MIDDLE SCHOOL ADVOCATES, INC.

Number and street (or P O box if mail is not delivered to street address) Room/suite
3801 MONROE ST

City or town, state or country, and ZIP + 4
NEW ORLEANS LA 70118

D Employer ID number
72-1409800

E Telephone number
504-486-0804

F Accounting method: ☐ Cash ☒ Accrual ☐ Other (specify)

● Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ)

H and I are not applicable to section 527 organizations

H(a) Is this a group return for affiliates? ☐ Yes ☒ No

H(b) If "Yes," enter no of affiliates ▶

H(c) Are all affiliates included? ☐ Yes ☐ No
(If "No," att a list. See instr)

H(d) Is this a separate return filed by an organization covered by a group ruling? ☐ Yes ☐ No

G Web site: ▶

J Organization type (check only one) ▶ ☒ 501(c) (3) ◄ (insert no) ☐ 4947(a)(1) or ☐ 527

I Enter 4-digit GEN ▶

K Check here ▶ ☐ if the organization's gross receipts are normally not more than $25,000 The organization need not file a return with the IRS, but if the organization received a Form 990 Package in the mail, it should file a return without financial data Some states require a complete return.

M Check ▶ ☐ if the organization is not required to attach Sch B (Form 990, 990-EZ, or 990-PF)

L Gross receipts Add lines 6b, 8b, 9b, and 10b to line 12 ▶ 2,165,774

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See page 17 of the instructions)

Revenue	1	Contributions, gifts, grants, and similar amounts received			
	a	Direct public support	1a	2,135,394	
	b	Indirect public support	1b		
	c	Government contributions (grants)	1c		
	d	Total (add lines 1a through 1c) (cash $ 2,135,394 noncash $)			1d 2,135,394
	2	Program service revenue including government fees and contracts (from Part VII, line 93)			2
	3	Membership dues and assessments			3
	4	Interest on savings and temporary cash investments			4 30,380
	5	Dividends and interest from securities			5
	6a	Gross rents	6a		
	b	Less rental expenses	6b		
	c	Net rental income or (loss) (subtract line 6b from line 6a)			6c
	7	Other investment income (describe ▶)			7
	8a	Gross amount from sales of assets other than inventory	(A) Securities 8a	(B) Other	
	b	Less cost or other basis and sales expenses	8b		
	c	Gain or (loss) (attach schedule)	8c		
	d	Net gain or (loss) (combine line 8c, columns (A) and (B))			8d
	9	Special events and activities (attach schedule)			
	a	Gross revenue (not including $ of contributions reported on line 1a)	9a		
	b	Less direct expenses other than fundraising expenses	9b		
	c	Net income or (loss) from special events (subtract line 9b from line 9a)			9c
	10a	Gross sales of inventory, less returns and allowances	10a		
	b	Less cost of goods sold	10b		
	c	Gross profit or (loss) from sales of inventory (att sch) (subtract line 10b from line 10a)			10c
	11	Other revenue (from Part VII, line 103)			11
	12	**Total revenue** (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)			12 2,165,774
Expenses	13	Program services (from line 44, column (B))			13 1,371,682
	14	Management and general (from line 44, column (C))			14 531,454
	15	Fundraising (from line 44, column (D))			15
	16	Payments to affiliates (attach schedule)			16
	17	**Total expenses** (add lines 16 and 44, column (A))			17 1,903,136
Net Assets	18	Excess or (deficit) for the year (subtract line 17 from line 12)			18 262,638
	19	Net assets or fund balances at beginning of year (from line 73, column (A))			19 1,583,868
	20	Other changes in net assets or fund balances (attach explanation)			20
	21	Net assets or fund balances at end of year (combine lines 18, 19, and 20)			21 1,846,506

For Paperwork Reduction Act Notice, see the separate instructions.

DAA

Form **990** (2002)

Part II Statement of Functional Expenses All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others (See page 21 of the instructions.)

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22 Grants and allocations (attach schedule) (cash $ non-cash $)	22				
23 Specific assistance to individuals	23				
24 Benefits paid to or for members	24				
25 Compensation of officers, directors, etc.	25	142,000		142,000	
26 Other salaries and wages	26	903,470	724,698	178,772	
27 Pension plan contributions	27	45,326	27,496	17,830	
28 Other employee benefits	28	77,724	54,438	23,286	
29 Payroll taxes	29	69,872	49,080	20,792	
30 Professional fundraising fees	30				
31 Accounting fees	31	33,343		33,343	
32 Legal fees	32	2,650		2,650	
33 Supplies	33	11,741		11,741	
34 Telephone	34				
35 Postage and shipping	35	2,731		2,731	
36 Occupancy	36	174,379	174,379		
37 Equipment rental and maintenance	37				
38 Printing and publications	38	18,350		18,350	
39 Travel	39				
40 Conferences, conventions, and meetings	40				
41 Interest	41	47,923		47,923	
42 Depreciation, depletion, etc (attach schedule)	42	18,158		18,158	
43 Other expenses not covered above (itemize) a	43a				
b See Statement 1	43b	355,469	341,591	13,878	
c	43c				
d	43d				
	43e				
44 Total functional expenses (add lines 22 - 43) Organizations completing columns (B)-(D), carry these totals to lines 13-15	44	1,903,136	1,371,682	531,454	0

Joint Costs. Check ▶ ☐ if you are following SOP 98-2

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? ▶ ☐ Yes ☒ No

If "Yes," enter (i) the aggregate amount of these joint costs $, (ii) the amount allocated to Program services $

(iii) the amount allocated to Management and general $, and (iv) the amount allocated to Fundraising $

Part III Statement of Program Service Accomplishments (See page 24 of the instructions.)

What is the organization's primary exempt purpose?

▶ See Statement 2

All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)

Program Service Expenses (Required for 501(c)(3) & (4) orgs., & 4947(a)(1) trusts, but optional for others.)

a OPERATION OF PUBLIC CHARTERED MIDDLE SCHOOL

(Grants and allocations $) 1,371,682

b (Grants and allocations $)

c (Grants and allocations $)

d (Grants and allocations $)

e Other program services (attach schedule) (Grants and allocations $)

f **Total of Program Service Expenses** (should equal line 44, column (B), Program services) ▶ 1,371,682

Part IV Balance Sheets (See page 24 of the instructions.)

	Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.			(A) Beginning of year		(B) End of year
Assets	45 Cash - non-interest-bearing			1,602,564	45	1,264,313
	46 Savings and temporary cash investments				46	
	47a Accounts receivable	47a	436,216			
	b Less allowance for doubtful accounts	47b			47c	436,216
	48a Pledges receivable	48a				
	b Less allowance for doubtful accounts	48b			48c	
	49 Grants receivable			26,359	49	22,293
	50 Receivables from officers, directors, trustees, and key employees (attach schedule)				50	
	51a Other notes and loans receivable (attach schedule) See Worksheet	51a	12,860			
	b Less allowance for doubtful accounts	51b		8,994	51c	12,860
	52 Inventories for sale or use				52	
	53 Prepaid expenses and deferred charges			16,192	53	46,777
	54 Investments-securities ▶ ☐ Cost ☐ FMV				54	
	55a Investments-land, buildings, and equipment. basis	55a				
	b Less accumulated depreciation (attach schedule)	55b			55c	
	56 Investments-other (attach schedule)				56	
	57a Land, buildings, and equipment basis	57a	928,150			
	b Less accumulated depreciation (attach schedule) See Stmt 3	57b	50,489	895,819	57c	877,661
	58 Other assets (describe ▶)				58	
	59 **Total assets** (add lines 45 through 58) (must equal line 74)			2,549,928	59	2,660,120
Liabilities	60 Accounts payable and accrued expenses			268,194	60	177,881
	61 Grants payable				61	
	62 Deferred revenue				62	
	63 Loans from officers, directors, trustees, and key employees (attach schedule)				63	
	64a Tax-exempt bond liabilities (attach schedule)				64a	
	b Mortgages and other notes payable (attach schedule)				64b	
	65 Other liabilities (describe ▶ See Stmt 4)			697,866	65	635,733
	66 **Total liabilities** (add lines 60 through 65)			966,060	66	813,614
Net Assets or Fund Balances	**Organizations that follow SFAS 117, check here** ▶ ☐ and complete lines 67 through 69 and lines 73 and 74					
	67 Unrestricted				67	
	68 Temporarily restricted				68	
	69 Permanently restricted				69	
	Organizations that do not follow SFAS 117, check here ▶ ☒ and complete lines 70 through 74					
	70 Capital stock, trust principal, or current funds				70	
	71 Paid-in or capital surplus, or land, building, and equipment fund				71	
	72 Retained earnings, endowment, accumulated income, or other funds			1,583,868	72	1,846,506
	73 **Total net assets or fund balances** (add lines 67 through 69 or lines 70 through 72, column (A) must equal line 19, column (B) must equal line 21)			1,583,868	73	1,846,506
	74 **Total liabilities and net assets / fund balances** (add lines 66 and 73)			2,549,928	74	2,660,120

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization How the public perceives an organization in such cases may be determined by the information presented on its return Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments

Part IV-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return (See page 26 of the instructions)

N/A

a	Total revenue, gains, & other support per audited financial statements ▶	a	
b	Amounts included on line a but not on line 12, Form 990:		
	(1) Net unrealized gains on investments $		
	(2) Donated services and use of facilities $		
	(3) Recoveries of prior year grants $		
	(4) Other (specify) $		
	Add amounts on lines (1) through (4) ▶	b	
c	Line a minus line b ▶	c	
d	Amounts included on line 12, Form 990 but not on line a:		
	(1) Investment expenses not included on line 6b, Form 990 $		
	(2) Other (specify). $		
	Add amounts on lines (1) and (2) ▶	d	
e	Total revenue per line 12, Form 990 (line c plus line d) ▶	e	

Part IV-B Reconciliation of Expenses per Audited Financial Statements with Expenses per Return

N/A

a	Total expenses and losses per audited financial statements ▶	a	
b	Amounts included on line a but not on line 17, Form 990.		
	(1) Donated services and use of facilities $		
	(2) Prior year adjustments reported on line 20, Form 990 $		
	(3) Losses reported on line 20, Form 990 $		
	(4) Other (specify) $		
	Add amounts on lines (1) through (4) ▶	b	
c	Line a minus line b ▶	c	
d	Amounts included on line 17, Form 990 but not on line a:		
	(1) Investment expenses not included on line 6b, Form 990 $		
	(2) Other (specify). $		
	Add amounts on lines (1) and (2) ▶	d	
e	Total expenses per line 17, Form 990 (line c plus line d) ▶	e	

Part V List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated, see page 26 of the instructions)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (If not paid, enter -0-)	(D) Contrib to employee benefit plans & deferred compensation	(E) Expense account and other allowances
MICHAEL BROWN 208 STELLA ST, MET., LA 70005	VICE-PRES. 5 HRS	0	0	0
TONY RECASNER 1929 UPPERLINE ST, NEW ORLEANS, LA 7	DIRECTOR 40 HRS	77,000	0	0
STEPHEN ROSENTHAL 1421 SONIAT ST, NOLA 70115	PRESIDENT 5 HRS	0	0	0
LAWRENCE KULLMAN 1838 STATE STREET, NOLA 70118	TREASURER 5 HRS	0	0	0
TERRY VINCENT 4208 VAN AVENUE, NOLA 70122	BUSINESS MGR 40 HRS	43,680	0	0
CHARLENE BLACHE 8540 HUNTINGTON PARK DR, #207 NOLA	SECRETARY 5 HRS	0	0	0
JAY ALTMAN 5265 LAUREL ST, NOLA 70115	ASST. DIRECT 5 HRS	65,000	0	0

75 Did any officer, director, trustee, or key employee receive aggregate compensation of more than $100,000 from your organization and all related organizations of which more than $10,000 was provided by the related organizations? If "Yes," attach schedule-see page 26 of the instructions ▶ ☐ Yes ☒ No

Part VI Other Information (See page 27 of the instructions.)

			Yes	No
76	Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity	76		X
77	Were any changes made in the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes	77		X
78a	Did the organization have unrelated business gross inc of $1,000 or more during the year covered by this return?	78a		X
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	78b		
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement N/A	79		
80a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc , to any other exempt or nonexempt organization?	80a		X
b	If "Yes," enter the name of the organization ▶ and check whether it is ☐ exempt or ☐ nonexempt			
81a	Enter direct or indirect political expenditures See line 81 instr 81a			
b	Did the organization file **Form 1120-POL** for this year? N/A	81b		
82a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?	82a		X
b	If "Yes," you may indicate the value of these items here Do not include this amount as revenue in Part I or as an expense in Part II (See instructions in Part III) 82b			
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	83a	X	
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions? N/A	83b		
84a	Did the organization solicit any contributions or gifts that were not tax deductible?	84a		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? N/A	84b		
85	501(c)(4), (5), or (6) organizations a Were substantially all dues nondeductible by members? N/A	85a		
b	Did the organization make only in-house lobbying expenditures of $2,000 or less? N/A	85b		
	If "Yes" was answered to either 85a or 85b, **do not** complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.			
c	Dues, assessments, and similar amounts from members 85c			
d	Section 162(e) lobbying and political expenditures 85d			
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices 85e			
f	Taxable amount of lobbying and political expenditures (line 85d less 85e) 85f			
g	Does the organization elect to pay the section 6033(e) tax on the amount in 85f? N/A	85g		
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount in 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year? N/A	85h		
86	501(c)(7) orgs Enter a Initiation fees and capital contributions included on line 12 86a			
b	Gross receipts, included on line 12, for public use of club facilities 86b			
87	501(c)(12) orgs Enter a Gross income from members or shareholders 87a			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them) 87b			
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? If "Yes," complete Part IX	88		X
89a	501(c)(3) organizations Enter Amount of tax imposed on the organization during the year under section 4911 ▶ 0 , section 4912 ▶ 0 , section 4955 ▶ 0			
b	501(c)(3) and 501(c)(4) orgs Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction	89b		X
c	Enter Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 ▶			0
d	Enter Amount of tax on line 89c, above, reimbursed by the organization ▶			0
90a	List the states with which a copy of this return is filed ▶ None			
b	Number of employees employed in the pay period that includes March 12, 2002 (See instructions) 90b			
91	The books are in care of ▶ Dr. Anthony Recasner Telephone no ▶ 504-486-0804			
	Located at ▶ 3800 Monroe St., New Orleans, LA ZIP + 4 ▶ 70118			
	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of **Form 1041**- Check here ▶ ☐ and enter the amount of tax-exempt interest received or accrued during the tax year ▶ 92			

Part VII Analysis of Income-Producing Activities (See page 31 of the instructions.)

Note: Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by sec. 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue.					
a					
b					
c					
d					
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments			14	30,380	
96 Dividends and interest from securities					
97 Net rental income or (loss) from real estate.					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue a					
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))		0		30,380	0
105 Total (add line 104, columns (B), (D), and (E))				▶	30,380

Note: Line 105 plus line 1d, Part I, should equal the amount on line 12, Part I

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See page 32 of the instructions.)

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes)
N/A	

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See page 32 of the instructions.)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
N/A	%			
	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See page 33 of the instructions.)

(a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No

(b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? ☐ Yes ☒ No

Note: If "Yes" to (b), file Form 8870 and Form 4720 (see instructions)

Please Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge

Signature of officer

Date 4-14-04

Type or print name and title.

Paid Preparer's Use Only

Preparer's signature	Mari S. Volk, CPA	Date 3/29/04	Check if self-employed ▶ ☐	Preparer's SSN or PTIN (See Gen Instr W) P00285843
Firm's name (or yours if self-employed), address, and ZIP + 4	BRUNO & TERVALON LLP CPAS 4298 Elysian Fields Ave NEW ORLEANS, LA 70122		EIN ▶ 72-0877929	Phone no ▶ 504-284-8733

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Organization Exempt Under Section 501(c)(3)

(Except Private Foundation) and Section 501(e), 501(f), 501(k), 501(n), or Section 4947(a)(1) Nonexempt Charitable Trust

Supplementary Information-(See separate instructions.)

▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ**

OMB No. 1545-0047

2002

Name of the organization

MIDDLE SCHOOL ADVOCATES, INC.

Employer identification number

72-1409800

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees

(See page 1 of the instructions List each one. If there are none, enter "None ")

(a) Name and address of each employee paid more than $50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee ben plans & deferred compensation	(e) Expense account and other allowances
None				
Total number of other employees paid over $50,000 ▶				

Part II Compensation of the Five Highest Paid Independent Contractors for Professional Services

(See page 2 of the instr. List each one (whether individuals or firms). If there are none, enter "None ")

(a) Name and address of each independent contractor paid more than $ 50,000	(b) Type of service	(c) Compensation
None		
Total number of others receiving over $50,000 for professional services ▶		

Part III Statements About Activities (See page 2 of the instructions.)

			Yes	No
1	During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ▶$ _____ (Must equal amount on line 38, Part VI-A, or line 1 of Part VI-B) Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes," must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities	1		X
2	During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions)			
a	Sale, exchange, or leasing of property?	2a		X
b	Lending of money or other extension of credit?	2b		X
c	Furnishing of goods, services, or facilities?	2c		X
d	Payment of compensation (or payment or reimbursement of exp if more than $1,000)?	2d		X
e	Transfer of any part of its income or assets?	2e		X
3	Does the organization make grants for scholarships, fellowships, student loans, etc ? (See **Note** below)	3		X
4	Do you have a section 403(b) annuity plan for your employees?	4		X

Note: Attach a statement to explain how the organization determines that individuals or organizations receiving grants or loans from it in furtherance of its charitable programs "qualify" to receive payments

Part IV Reason for Non-Private Foundation Status (See pages 3 through 5 of the instructions.)

The organization is not a private foundation because it is (Please check only **ONE** applicable box)

- 5 ☐ A church, convention of churches, or association of churches Section 170(b)(1)(A)(i)
- 6 ☐ A school Section 170(b)(1)(A)(ii) (Also complete Part V)
- 7 ☐ A hospital or a cooperative hospital service organization Section 170(b)(1)(A)(iii)
- 8 ☐ A Federal, state, or local government or governmental unit Section 170(b)(1)(A)(v)
- 9 ☐ A medical research organization operated in conjunction with a hospital Section 170(b)(1)(A)(iii) **Enter the hospital's name, city, and state** ▶
- 10 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv) (Also complete the **Support Schedule** in Part IV-A.)
- 11a ☒ An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi) (Also complete the **Support Schedule** in Part IV-A)
- 11b ☐ A community trust Section 170(b)(1)(A)(vi) (Also complete the **Support Schedule** in Part IV-A)
- 12 ☐ An organization that normally receives **(1) more than 33 1/3%** of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc , functions-subject to certain exceptions, and **(2) no more than 33 1/3%** of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See section 509(a)(2) (Also complete the **Support Schedule** in Part IV-A)
- 13 ☐ An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in **(1)** lines 5 through 12 above, or **(2)** section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2) (See section 509(a)(3))

Provide the following information about the supported organizations (See page 5 of the instructions)

(a) Name(s) of supported organization(s)	(b) Line number from above

- 14 ☐ An organization organized and operated to test for public safety Section 509(a)(4) (See page 5 of the instructions)

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12.) **Use cash method of accounting.**

Note: You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting

Calendar year (or fiscal year beginning in) ▶	(a) 2001	(b) 2000	(c) 1999	(d) 1998	(e) Total
15 Gifts, grants, and contributions received (Do not include unusual grants See line 28)	2,088,553	2,036,234	1,967,246	1,363,192	7,455,225
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc , purpose					
18 Gross inc. from int., dividends, amounts received from pymt. on securities loans (section 512(a)(5)), rents, royalties, & unrelated busn taxable inc (less sec. 511 taxes) from businesses acquired by the organization after June 30, 1975	38,818	31,725	12,122	1,514	84,179
19 Net income from unrelated business activities not included in line 18					
20 Tax revn levied for the organization's ben & either paid to it or expended on its behalf					
21 The value of serv. or facl furnished to the org by a governmental unit without charge Do not incl the value of serv or fac. generally furnished to the public without charge					
22 Other income Attach a schedule Do not include gain or (loss) from sale of cap assets					
23 Total of lines 15 through 22	2,127,371	2,067,959	1,979,368	1,364,706	7,539,404
24 Line 23 minus line 17	2,127,371	2,067,959	1,979,368	1,364,706	7,539,404
25 Enter 1% of line 23	21,274	20,680	19,794	13,647	

26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24 ▶ 26a 150,788

Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 1998 through 2001 exceeded the amount shown in line 26a **Do not file this list with your return.** Enter the total of all these excess amounts ▶ 26b

c Total support for section 509(a)(1) test Enter line 24, column (e) ▶ 26c 7,539,404

d Add Amounts from column (e) for lines 18 84,179 19 _____ 22 _____ 26b _____ ▶ 26d 84,179

e Public support (line 26c minus line 26d total) ▶ 26e 7,455,225

f **Public support percentage (line 26e (numerator) divided by line 26c (denominator))** ▶ 26f 98.8835%

27 Organizations described on line 12: a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person" **Do not file this list with your return.** Enter the sum of such amounts for each year N/A

(2001) (2000) (1999) (1998)

b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) $5,000 (Include in the list organizations described in lines 5 through 11, as well as individuals) **Do not file this list with your return.** After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year N/A

(2001) (2000) (1999) (1998)

c Add Amounts from column (e) for lines 15 _____ 16 _____ 17 _____ 20 _____ 21 _____ ▶ 27c

d Add Line 27a total _____ and line 27b total _____ ▶ 27d

e Public support (line 27c total minus line 27d total) ▶ 27e

f Total support for section 509(a)(2) test Enter amount on line 23, column (e) ▶ 27f

g **Public support percentage (line 27e (numerator) divided by line 27f (denominator))** ▶ 27g %

Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator)) ▶ 27h %

Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 1998 through 2001, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant **Do not file this list with your return.** Do not include these grants in line 15

Part V Private School Questionnaire (See page 7 of the instructions.)
(To be completed ONLY by schools that checked the box on line 6 in Part IV)

		N/A		Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?		29		
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?		30		
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement)		31		
32	Does the organization maintain the following				
a	Records indicating the racial composition of the student body, faculty, and administrative staff?		32a		
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?		32b		
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?		32c		
d	Copies of all material used by the organization or on its behalf to solicit contributions? If you answered "No" to any of the above, please explain (if you need more space, attach a separate statement)		32d		
33	Does the organization discriminate by race in any way with respect to:				
a	Students' rights or privileges?		33a		
b	Admissions policies?		33b		
c	Employment of faculty or administrative staff?		33c		
d	Scholarships or other financial assistance?		33d		
e	Educational policies?		33e		
f	Use of facilities?		33f		
g	Athletic programs?		33g		
h	Other extracurricular activities? If you answered "Yes" to any of the above, please explain (If you need more space, attach a separate statement)		33h		
34a	Does the organization receive any financial aid or assistance from a governmental agency?		34a		
b	Has the organization's right to such aid ever been revoked or suspended? If you answered "Yes" to either 34a or b, please explain using an attached statement.		34b		
35	Does the organization certify that it has complied with the applicable requirements of sections 4 01 through 4 05 of Rev Proc. 75-50, 1975-2 C B 587, covering racial nondiscrimination? If "No," attach an explanation		35		

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 9 of the instructions.)
(To be completed ONLY by an eligible organization that filed Form 5768) N/A

Check ▶ a ☐ if the organization belongs to an affiliated group. Check ▶ b ☐ if you checked "a" and "limited control" provisions apply.

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred)		(a) Affiliated group totals	(b) To be completed for ALL electing organizations
36 Total lobbying expenditures to influence public opinion (grassroots lobbying)	36		
37 Total lobbying expenditures to influence a legislative body (direct lobbying)	37		
38 Total lobbying expenditures (add lines 36 and 37)	38		
39 Other exempt purpose expenditures	39		
40 Total exempt purpose expenditures (add lines 38 and 39)	40		
41 Lobbying nontaxable amount Enter the amount from the following table-			
If the amount on line 40 is- / **The lobbying nontaxable amount is-**			
Not over $500,000 — 20% of the amount on line 40			
Over $500,000 but not over $1,000,000 — $100,000 plus 15% of the excess over $500,000			
Over $1,000,000 but not over $1,500,000 — $175,000 plus 10% of the excess over $1,000,000	▶ 41		
Over $1,500,000 but not over $17,000,000 — $225,000 plus 5% of the excess over $1,500,000			
Over $17,000,000 — $1,000,000			
42 Grassroots nontaxable amount (enter 25% of line 41)	42		
43 Subtract line 42 from line 36 Enter -0- if line 42 is more than line 36	43		
44 Subtract line 41 from line 38 Enter -0- if line 41 is more than line 38	44		

Caution: If there is an amount on either line 43 or line 44, you must file Form 4720

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below
See the instructions for lines 45 through 50 on page 11 of the instructions)

	Lobbying Expenditures During 4-Year Averaging Period				
Calendar year (or fiscal year beginning in) ▶	**(a)** 2002	**(b)** 2001	**(c)** 2000	**(d)** 1999	**(e)** Total
45 Lobbying nontaxable amount					
46 Lobbying ceiling amount (150% of line 45(e))					
47 Total lobbying expenditures					
48 Grassroots nontaxable amount					
49 Grassroots ceiling amount (150% of line 48(e))					
50 Grassroots lobbying expenditures					

Part VI-B Lobbying Activity by Nonelecting Public Charities
(For reporting only by organizations that did not complete Part VI-A) (See page 11 of the instr) N/A

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of	Yes	No	Amount
a Volunteers			
b Paid staff or management (include compensation in expenses reported on lines c through h.)			
c Media advertisements			
d Mailings to members, legislators, or the public			
e Publications, or published or broadcast statements			
f Grants to other organizations for lobbying purposes			
g Direct contact with legislators, their staffs, government officials, or a legislative body			
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means			
i Total lobbying expenditures (add lines c through h.)			

If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities

Part VII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations (See page 12 of the instructions.)

51 Did the reporting organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?

		Yes	No
a	Transfers from the reporting organization to a noncharitable exempt organization of		
(i)	Cash	51a(i)	X
(ii)	Other assets	a(ii)	X
b	Other transactions.		
(i)	Sales or exchanges of assets with a noncharitable exempt organization	b(i)	X
(ii)	Purchases of assets from a noncharitable exempt organization	b(ii)	X
(iii)	Rental of facilities, equipment, or other assets	b(iii)	X
(iv)	Reimbursement arrangements	b(iv)	X
(v)	Loans or loan guarantees	b(v)	X
(vi)	Performance of services or membership or fundraising solicitations	b(vi)	X
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	c	X

d If the answer to any of the above is "Yes," complete the following schedule Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting organization If the organization received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements
N/A			

52a Is the organization directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ▶ ☐ Yes ☒ No

b If "Yes," complete the following schedule

(a) Name of organization	(b) Type of organization	(c) Description of relationship
N/A		

Schedule B (Form 990, 990-EZ, or 990-PF)
Department of the Treasury
Internal Revenue Service

Schedule of Contributors

Supplementary Information for line 1 of Form 990, 990-EZ and 990-PF (see instructions)

OMB No. 1545-0047

2002

Name of organization

[redacted]IDDLE SCHOOL ADVOCATES, INC.

Employer identification number

72-1409800

Organization type (check one)

Filers of:	Section:
Form 990 or 990-EZ	☒ 501(c)(3) (enter number) organization
	☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation
	☐ 527 political organization
Form 990-PF	☐ 501(c)(3) exempt private foundation
	☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation
	☐ 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule. (Note:** Only a section 501(c)(7), (8), or (10) organization can check box(es) for both the General Rule and a Special Rule-see instructions)

General Rule-

☒ For organizations filing Form 990, 990-EZ, or 990-PF that received, during the year, $5,000 or more (in money or property) from any one contributor (Complete Parts I and II)

Special Rules-

☐ For a section 501(c)(3) organization filing Form 990, or Form 990-EZ, that met the 33 1/3% support test of the regulations under sections 509(a)(1)/170(b)(1)(A)(vi) and received from any one contributor, during the year, a contribution of the greater of $5,000 or 2% of the amount on line 1 of these forms (Complete Parts I and II)

☐ For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, aggregate contributions or bequests of more than $1,000 for use exclusively for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals (Complete Parts I, II, and III)

☐ For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, some contributions for use exclusively for religious, charitable, etc., purposes, but these contributions did not aggregate to more than $1,000 (If this box is checked, enter here the total contributions that were received during the year for an exclusively religious, charitable, etc , purpose Do not complete any of the Parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of $5,000 or more during the year) ▶ $ _____

Caution: Organizations that are not covered by the General Rule and/or the Special Rules do not file Schedule B (Form 990, 990-EZ, or 990-PF), but they **must** check the box in the heading of their Form 990, Form 990-EZ, or on line 1 of their Form 990-PF, to certify that they do not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF)

Name of organization: MIDDLE SCHOOL ADVOCATES, INC.

Employer identification number: 72-1409800

Part I Contributors (See Specific Instructions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	ORLEANS PARISH SCHOOL BOARD FUNDING 3510 GENERAL DEGAULLE DR NEW ORLEANS, LA 70114	$ 2,097,048	Person [X] Payroll [] Noncash [] (Complete Part II if there is a noncash contribution.)
____		$	Person [] Payroll [] Noncash [] (Complete Part II if there is a noncash contribution)
____		$	Person [] Payroll [] Noncash [] (Complete Part II if there is a noncash contribution)
____		$	Person [] Payroll [] Noncash [] (Complete Part II if there is a noncash contribution)
____		$	Person [] Payroll [] Noncash [] (Complete Part II if there is a noncash contribution)
____		$	Person [] Payroll [] Noncash [] (Complete Part II if there is a noncash contribution)

Form **990/990-PF**

Other Notes and Loans Receivable

For calendar year 2002, or tax year beginning 7/01/02 , and ending 6/30/03

2002

Name

MIDDLE SCHOOL ADVOCATES, INC.

Employer Identification Number

72-1409800

Form 990, Part IV, Line 51a - Additional Information

	Name of borrower	Relationship to disqualified person
(1)	Loan receivable	
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		

	Original amount borrowed	Date of loan	Maturity date	Repayment terms	Interest rate
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					
(7)					
[redacted]					
(10)					

	Security provided by borrower	Purpose of loan
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		

	Consideration furnished by lender	Balance due at beginning of year	Balance due at end of year	Fair market value (990-PF only)
(1)		8,994	12,860	
(2)				
(3)				
(4)				
(5)				
(6)				
(7)				
[redacted]				
(9)				
(10)				
Totals		8,994	12,860	

Statement 1 - Form 990, Part II, Line 43 - Other Functional Expenses

Description	Total Expenses	Program Service	Mgt & General	Fund-Raising
	$	$	$	$
Expenses				
CLASSROOM & OFFICE FURNITURE	11,147	11,147		
INSTRUCTIONAL EQUIPMENT	2,473	2,473		
PROFESSIONAL DEV EXP	9,652	8,039	1,613	
HEALTH CENTER ACTIVITIES	388	388		
STUDENT ACTIVITY	20,706	20,706		
TEACHER SUPPLIES & MATERIALS	63,067	63,067		
STUDENT ASSESSMENTS	3,728	3,728		
STAFF DEV	4,697	4,697		
TRANSPORTATION COSTS	194,365	194,365		
CONSULTANTS	3,380		3,380	
PAYROLL PROCESSING EXPENSE	3,726		3,726	
BANK CHARGES	354		354	
OTHER EXPENSES	10,315	5,510	4,805	
BOARD EXPENSE	114	114		
FIELD TRIPS	4,473	4,473		
OPSB COSTS	22,884	22,884		
Total	$ 355,469	$ 341,591	$ 13,878	$ 0

Statement 2 - Form 990, Part III - Organization's Primary Exempt Purpose

The School's primary role is to provide a high quality education for the students it serves by attending to the students' social and emotional development, thus providing a foundation for success in a challenging academic program. The School will also expose students to a range of experiences designed to develop them as individuals and to nuture a sense of membership in a school community where they feel supported and learn mutual responsibility.

Statement 3 - Form 990, Part IV, Line 57 - Land, Buildings, and Equipment

Description	Beginning of Year	Accum Deprec	End of Year	Accum Deprec
	$ 555,950	$ 32,331	$ 555,950	$ 50,489
Total	$ 555,950	$ 32,331	$ 555,950	$ 50,489

Statement 4 - Form 990, Part IV, Line 65 - Other Liabilities

Description	Beginning of Year	End of Year
	$ 697,866	$ 635,733
Total	$ 697,866	$ 635,733

Form 990, Part I, Line 1a - Direct Public Support

Description	Cash	Noncash	Total
	$ 38,346	$	$ 38,346
Other Contributions	2,097,048		2,097,048
Total	$ 2,135,394	$ 0	$ 2,135,394

EXHIBIT F

37. Attach the proposed school's policies and procedures for complying with the Louisiana Public Records Law, LA-R.S. 44:1 et seq, remembering that the nonprofit corporation must also comply when acting in their capacity of the governing board of the charter school.

Middle School Advocates, Inc. shall abide by the Louisiana Public Records Law LA-R.S 17.3996(B)(10) Reasonable fees will be assessed for copying requested documents.

In Louisiana, a "public record" includes books, records, writings, letters, memos, microfilm, and photographs, including copies and other reproductions. To be "public," the record must have been used, prepared, possessed, or retained for in connection with a function performed under authority of the Louisiana Constitution, a state law, or an ordinance, regulation, mandate, or order of a public body This definition covers virtually every kind of record kept by a state or local government body. [LA R S. 44:1(A)(1)].

In Louisiana, any person may inspect, copy, reproduce or obtain a copy of any public record [R.S 44:32]. The purpose of the document request is immaterial, an agency or record custodian may not inquire as to the reason, except to justify a fee waiver.

Requests Made In Writing
Persons requesting public records will be asked to complete a written request to receive the information. The requestor must date and sign the request. The requestor must also be specific about what record(s) are being requested The requestor will be notified when records are available for review at the school or when the records will be mailed The records will be made available to the requesting party within three working days of the request unless there are extenuating circumstances justifying a greater time. However, the maximum period of time between the request and the production will be no more than seven working days. In no event will extenuating circumstances apply to a request for a single, specifically identified document

Requests Made In Person
If the request is made in person, the school principal will make the information immediately available for review. If the document is not immediately available, the reason will be placed in writing and the information will be made available within 72 hours. There will be no cost to review the public record.

Accommodations To Review Public Records In Person
The organization's staff will provide a quiet place for the requesting person to review the records.

Delivery of Information
Copies will be available for pick up, sent via facsimile, or to be mailed. The requestor will be invoiced and must pay for the copies before the copies are released The school will not send high volume requests via facsimile.

Exceptions

While the general policy of the State of Louisiana is that all records are public records subject to inspection, there are a number of exceptions Unless a record falls within a specific exception it must be produced. The exceptions are too numerous to summarize here (and many of them would not generally be applicable to charter schools). However, some of the more important exceptions are the following.

a Producing the record would violate state or federal law (i.e , individual student academic records);
b. Test questions, scoring keys, and other examination data;
c. Real estate appraisals relating to property acquisitions until title has passed,
d. Medical, mental health, sociological and scholastic achievement data on individual persons;
e. Personnel files (Note that notwithstanding this exception, any employment contract or other information regarding amounts paid to individual employees and amounts paid under settlement agreements must be produced),
f Letters of reference;
g Privileged information (e.g attorney-client communications),
h. Addresses and telephone numbers of students (such information may not be provided in, for example, a school directory unless specific authorization is obtained); and
i Records of sexual harassment complaints

Finally, since there are so many exceptions to the Public Records Act, any doubt about whether production of a particular document is permissible, legal counsel will be consulted.

Cost to Produce Public Records

The following reasonable fees will be charged·

- Videotapes - $10.00 per hour or portion thereof plus $7.00 for cost of tape.
- Custom made computer-generated report - $75.00 per hour plus $1 00 per page
- Photocopies from an existing listing - $0 25 per page
- Duplicated student records (excluding transcripts) – $0.10 per page
- Hand copies from an existing report – no charge
- Computer generated report from an existing job - $1.00

Copying jobs in excess of $50 00 will require a $50 00 deposit.

Payment for all jobs must be made upon receipt of the product with cash or a check.

EXHIBIT G

38. Attach the proposed school's policies and procedures for complying with the Family Educational Rights Privacy Act (FERPA), 20 U.S.C. 1232g.

Middle School Advocates policies and procedures for complying with the Family Educational Rights Privacy Act are based on the guidelines provided by the Louisiana Department of Education The specific policies and procedures that will be implemented are outlined below:

Annual Notification
Parents will be notified annually of their rights under the Family Educational Rights Privacy Act Written notice will be included in the school handbook, which parents receive at the opening of school orientation

"Parent" means a parent of a student and includes a natural parent, a guardian, or an individual acting as a parent in the absence of a parent or a guardian

In the case of divorce or separation, the school will provide access to both natural parents, custodial and non-custodial, unless there is a legally binding document that specifically removes the parent's FERPA rights. In this case a legally binding document is a court order or other legal paper that prohibits access to education records, or removes that parent's right to have knowledge about his/her child's education.

The annual notice will inform parents of the following:

- the right to inspect and review the student's education records;
- the right to seek amendment of the student's education records if the parent or eligible student believes the records are inaccurate, misleading, or otherwise in violation of privacy rights;
- the right to prohibit disclosure of personally identifiable information contained in the student's education records, except to the extent the law allows disclosure without a parent's or an eligible student's consent;
- the right to file with the Family Policy Compliance Office a complaint regarding alleged failure by the educational agency or institution to the comply with FERPA;
- the procedure for exercising the right to inspect and review education records;
- the procedure for requesting amendment of education records; and
- the criteria that the school uses to determine when education records can be disclosed, without prior written consent of the parent or eligible student, to other school officials within the agency or institution who are deemed to have legitimate educational interest in the education records.

The notification will be translated for parents whose primary language is a foreign language, and who are not also fluent in English; and accommodations will be made to notify disabled parents of their child's rights.

Disclosure of Education Records

Each school under Middle School Advocates jurisdiction will follow the disclosure procedures described below:

1. Disclosure to a parent – the school will utilize a checklist to ensure that it has followed proper procedure in disclosing information to parents.

Parents will receive written notice from the school regarding their request to inspect their child's education records Parents will be given the time and space to review their child's record within 15 days (excluding Saturdays and Sundays) of their request.

2. Disclosure to other school officials within the student's school or school system – school staff will be informed in writing each year (at staff orientation) that they can only use personally identifiable information in a student's education record for those things related to "legitimate educational interests " Otherwise, personally identifiable information about a student must remain strictly confidential

3. Disclosure to people or organizations outside the student's school or school system – the school must receive written consent from a parent prior to disclosing to third parties any personally identifiable information in an education record.

The school must have written consent of the parent even if the third party accompanies the parent to the school to view the records. Verbal consent given by the parent, even if given at or near the time the third party is to inspect the records, is not sufficient.

The requestor will receive written notice from the school regarding their request to inspect a student's education records.

The school will forward to the following third parties personally identifiable information in an education record without the prior written consent of a parent. These are disclosures of personally identifiable information to.

- school officials of another school or school system where the student wants to enroll and
- school officials of another school or school system where the student is enrolled or is receiving services.

The annual notification will inform parents that it is the school's policy to forward education records to other schools or school system where the student wants to enroll, is enrolled, or is receiving services The school will provide a copy of the records requested by the parent.

Other, less frequent, situations in which the school can disclose personally identifiable

information in an education record without the prior written consent of the parent are available for review in the guidelines received from the Louisiana Department of Education.

4. Directory Information – at the opening of school orientation, parents will receive a notice to withhold directory information. A student's social security number will not be included in the school directory.

5. Redisclosure – the school will disclose personally identifiable information only on the condition that it will not be redisclosed to anyone else without the prior written consent of the parent. A person or organization that improperly rediscloses that information will not receive additional information from the school.

6. Recordkeeping – education records must be maintained for a minimum of three years, but local school districts can require their schools to retain records for longer periods of time. LA R.S. 17:415.

7. Amendment of Education Records – only a parent will have the right to ask the school to amend any education record that he/she believes is inaccurate, misleading, or an invasion of privacy.

The school will notify the parent of its decision within 30 days (excluding Saturdays and Sundays) after receiving the request for an amendment. If the school decides not to amend the record as requested, the school will notify the parent of its decision in writing. The school will also inform the parent of his or her right to request a hearing on the issue.

Right To An Appeal

If a hearing is requested, the school will hold the hearing within 30 days after receiving the request for the hearing. Every effort will be made to remain flexible so that the hearing can be set at a date and time that is convenient for all those involved The school will give the parent notice of the date, time, and place that the hearing is to occur. The school will keep a copy of this notice with the student's education records. The parent will be given the notice no later than 15 days in advance of the hearing. The executive director will conduct the hearing. The parent will be given a fair opportunity to present evidence and will have the right, at his or her own expense, to the assistance of an attorney or other representative

The decision on the hearing will be based solely on the evidence presented at the hearing. The decision will be in writing and will include a summary of the evidence presented and the reasons for the decision The decision will be rendered within 48 hours after the conclusion of the hearing. The school will keep a copy of the decision with the student's education records.

After the hearing, if it is decided that the education record should not be amended as requested, the school will inform the parent of his or her right to place a statement in the education record commenting on the contested information and stating why he or she disagrees with the decision. The school will keep the parent's statement with the education record for as long as the school has the education record. The school will also disclose the statement whenever it discloses the disputed part of the education record

EXHIBIT H

39. Attach the proposed school's policies and procedures for complying with the Louisiana Open Meetings Law, LA-R.S. 42:4.1 et seq.

Middle School Advocates, Inc. Board members shall abide by the open meetings law [LA-R.S. 17.3996(B)(9)

The general policy underlying the Louisiana Open Meetings Law states that the formation of public policy in Louisiana is public business and may not be done in secret. "Meeting" is defined as "any kind of gathering, convened to discuss public business, in person, by telephone, electronically, or by other means of communication." However, the law does not apply to "any chance meeting or social gathering at which discussion of public business is not the central purpose."

General Rule of the Open Meetings Law
"All meetings of a quorum of three or more members of any local public body, whichever is fewer, at which any public business is discussed or at which any formal action may be taken are declared to be public meetings open to the public at all times "

Any time three or more members of the Board of Directors have a meeting at which they discuss charter school business, they may not exclude from that meeting any member of the public who wishes to sit in on it. No formal action of the Board of Directors shall be valid unless the action is taken in an open meeting that complies with the Open Meetings Law.

Public Comment
The Board of Directors has to allow public comment at any meeting prior to taking any vote. The comment period shall be for each agenda item and shall precede each agenda item.

Notice
Notice of meetings of the Board of Directors will be posted in the school no less than 24 hours prior to the meeting. The agenda for the meeting will be available in the school office.

Minutes
The Board of Directors will keep typed written minutes of their meetings and make those minutes available for public inspection The minutes of each meeting will be adopted at the next regularly scheduled meeting of the Board of Directors

Executive Session
The Board of Directors may call an executive session to discuss certain matters In order to call the executive session the board must (a) announce the general topic that will be discussed in the executive session; and (b) vote by a 2/3 majority to resolve into executive session. The announcement of the general topic will include a specific citation to the part of the law authorizing the executive session and will be as detailed as possible without compromising the purpose of the executive session

Executive sessions are for discussion only. No formal actions will be taken in executive session Thus, for example, the board may never vote on a motion while it is in executive session. If the board wants to adopt a motion after discussing it in executive session, it must first resolve itself out of executive session into an open meeting and then hold the vote

Proper Subjects for Executive Sessions

It is also important to note that a charter school board may not resolve itself into executive session just because it wants to discuss a matter in private. All discussions of the charter school board must occur in open session unless there is specific statutory authority for holding an executive session on a topic The specific grounds for which the board may meet in executive session are listed LA R S. § 6.1(A), and are as follows.

- Personnel matters (the exception occurs only when an individual employee or group of employees are discussed);
- Determining contract negotiation strategies;
- Conferences with an attorney to receive legal advice;
- Security arrangements,
- Investigative proceedings regarding allegations of misconduct,
- Cases of extraordinary emergency,
- Discussions regarding buying or selling property;
- Discussion of individual students where public discussion would adversely affect the student involved;
- Matters required to be kept confidential by state or federal law;
- Consideration of documents protected from disclosure under the Public Records Act

Minutes of Executive Sessions

If the Board of Directors resolves itself into executive session the minutes of the regular open meeting must state the general topic of discussion (e.g., "consultations with legal counsel;" "determining contract negotiation strategy;" etc.). The minutes of the regular open meeting should not reflect the actual discussions that occurred in the executive session.

The discussions that occur in executive sessions will be recorded in the same manner as the discussions that occur in the open meeting The minutes of an executive session must contain the following:

a. A citation to the specific provision of the statute that authorizes the board to meet in executive session,

b The contents of the discussions (this need not be verbatim, the minutes need only reflect the substance of the discussions);

c. A signed statement from the person chairing the executive session attesting that the minutes of the executive session accurately reflect the substance of the discussions during the executive session.

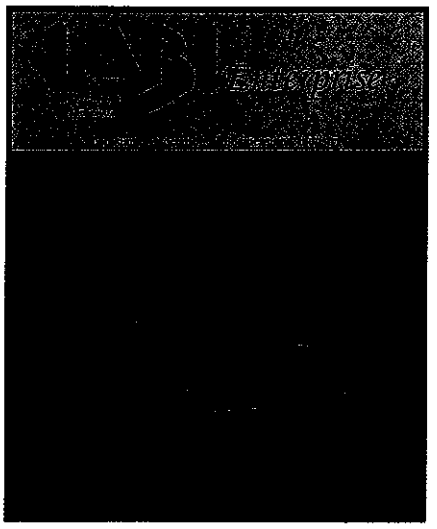
If the purpose of the executive session is to discuss an individual student (for e.g., discipline, etc.) no minutes of the session need be taken.

The statute also provides an exception to the executive session minute taking procedure for consultations with attorneys. However, if the board takes advantage of this exception and does not record discussions with an attorney, the attorney must sign a statement attached to the minutes of the regular meeting that the portion of the executive session for which minutes were not kept constituted a privileged attorney-client communication In addition, the chair of the meeting must sign a statement in the minutes affirming that the portion of the meeting that was not recorded was confined to a subject for which it is proper to hold an executive session under the statute

The minutes of an executive session of the board are not open to the public unless the board agrees to open the minutes or is ordered to produce the minutes by a court. The board is required to keep the minutes of an executive session for at least 90 days, after which it may discard the minutes

Sonic and Video Recording; Live Broadcast

The Board of Directors will not electronically record (video or audiotape) or broadcast live, the proceedings of its board meetings



On the Cover

Don and Andy Begneaud, of BEGNEAUD Manufacturing in Lafayette, have become advocates for Louisiana's small business owners.

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Mission

LABI's mission is to foster a climate for economic growth by championing the principles of the free enterprise system and by representing the general interests of the business community through active involvement in the political, legislative, judicial and regulatory processes

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LABI Enterprise

Vol 27, No 1 April 2002

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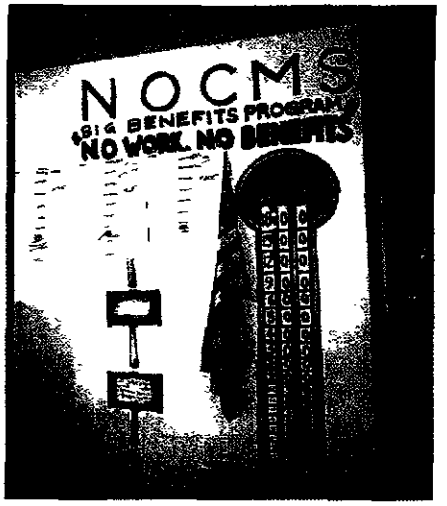
The *Enterprise* (ISSN 0164-8446. USPS# 402590) is published quarterly by the Louisiana Association of Business and Industry, 3113 Valley Creek Dr, Baton Rouge. Louisiana 70808, phone 225/928-5388, fax 225/929-6054 Membership dues include annual subscription rates of $5 for the *Enterprise*. Periodical postage is paid at Baton Rouge. Louisiana Opinions expressed herein are those of the authors and do not necessarily represent the policies, positions or opinions of the Louisiana Association of Business and Industry POSTMASTER Send address changes to LABI, P O Box 80258, Baton Rouge, LA 70898-0258

"No Work, No Benefits"
New Orleans Charter Middle School Teaches Academic and Life Lessons

"No Work, No Benefits" is the motto proudly displayed in the cafeteria/meeting area at the New Orleans Charter Middle School (NOCMS). It's more than a phrase to the 359 students who attend grades six through eight. It's a guiding principle, with real rewards and consequences Once students in a class attain a certain number of benefit points, they receive a day off from the academic rigors of school Teachers give students a menu and allow them to choose how they would like to spend the day. Their options typically include a trip to the Audubon Zoo, or to the skating rink or bowling alley Taking in a movie is sometimes an option and, when the weather is good, a picnic wins by popular vote

These field trips not only reward students for working hard and complying with school rules, they reinforce the NOCMS mission, which is "to provide a learning environment that promotes the healthy academic, social and emotional growth of young adolescents in grades six through eight, to involve parents and community volunteers in the life of the school, and to develop effective educational practices " However, NOCMS is more than an exceptional place for children to grow and learn It is a place that provides hope for parents whose children were falling behind in the traditional public school system

New Orleans Charter Middle School is a Type III charter school, which means that it was an existing public school that was converted into a public charter school The charter is issued by the Orleans Parish School Board, it is the only



Type III charter school in the state When questioned as to how a charter school is different from a traditional public school, NOCMS Director Dr Tony Recasner responded that the best aspect of operating a charter school is that they "can do openly what they wanted to do as a public school" but couldn't due to rules and regulations imposed by state and local officials (Charter schools are public schools that are exempt from many regulations other public schools must follow In return for this flexibility, charter schools agree to a performance standard written into a charter contract. If the school does not meet the standard, the entity the school chartered with, either the state or local school board, can revoke or choose to not renew the charter)

New Orleans Charter Middle School is in its fourth year of operation The educational program has three distinct components 1) intellectually engaging core academic classes, 2) enriching elective classes, some of which are academic based, and 3) nurturing academic support services to ensure that all students succeed Recasner says that the school is "not trying to be all things to all people, just responsive to the kids we get " The word is getting out, NOCMS has experienced steady growth since they've opened The first year, 300 pupils enrolled The next year they had 336, then 355, and the current 359 They average about 120 children per grade level

The NOCMS staff is diverse, with an almost equal number of male and female teachers, from various ethnic backgrounds and who come from different areas of the United States They bring a wide variety of life and educational experiences that helps to create a richer school curriculum Recasner, a psychologist, says his nontraditional school experience allows him to approach the school's design and academics from a different perspective Jay Altman, the school's assistant director, is the founder of New Orleans Summerbridge, and brings a wealth of experience in creating curriculum and academic enrichment programs for adolescents Five members of the school's teaching staff are former



Dr Tony Recasner, Director of the New Orleans Charter Middle School



Tony Recasner and staff enjoy Halloween activities at the charter school

Teach for America corps members It is important to Recasner that NOCMS students be exposed to different types of people

In addition to the 15 full-time teachers, Recasner employs approximately 20 part-time, "elective" teachers They are professional artists, musicians, and dancers, who teach the students their craft The elective classes are taught in the afternoon. providing needed time off and additional planning time for the regular teaching staff to engage in collective planning activities

Recasner, a nontraditional school administrator, encourages the use of both traditional and nontraditional methods to educate students For example, teachers do not rely on textbooks Instead, they are encouraged to utilize a variety of reference and other material to create their curriculum Novels have become a preferred tool for teachers – which the students are allowed to keep After three years at the school, the children own a personal library

Recasner also believes that school time needs to be organized in a manner that contributes to the students' success To this end, the staff has created an innovative academic course schedule, which enables students to study only one core academic subject at a time (*i e* , Language Arts, math, science, and social studies) for 10 consecutive days The time spent in each class during the two-week period is equivalent to the 45-minute class periods that are spread out over nine weeks in traditional middle schools Students rotate through each class four times within the school year At the end of each class. students get a report card reflecting their progress

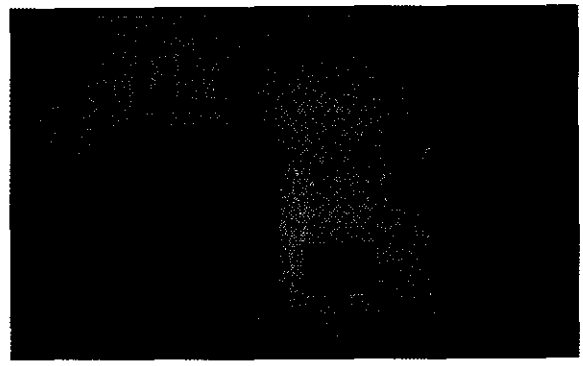
At NOCMS, teachers are hired to work for four or five weeks during the summer break and participate in the annual summer planning process Recasner says that the value of having such an extended period of time to plan curriculum and strategies (at each grade level and school-wide) appears to provide substantial benefits to the staff It gives new teachers a chance to get oriented, learn the school's expectations, develop relationships with their colleagues. and begin developing their course curriculum. It provides veteran teachers with time to refine their course curriculum and classroom practices Finally, it gives everyone on staff time to revisit school goals and assess progress toward those goals, evaluate and refine school programs and operations, participate in staff development workshops, and prepare for the upcoming school year

New Orleans Charter Middle School has become a model for school/parent/community partnerships One such partnership is with the Audubon Zoo. When sixth-grade students are studying plants and animals as part of their science courses. they get to spend two days a week at the zoo for a "hands on" view of animal behavior and plant life Parents go along as chaperones and the zoo has designated a staff person to work with the school children

The school also collaborates with Metairie Park Country Day School on a unique poetry-writing project called "Diverse Voices " The program consists of 10 seventh-grade students from each school whose assignment is to explore various parts of the city and write poetry inspired by their experiences Destinations include the Vietnamese Buddhist Temple in Lower Coast Algiers, and the Vietnamese gardens in New Orleans East It's important to Recasner that the students are "visiting places that neither group has visited before "

The school has a beautiful garden that has been created by the students and members of the New Orleans Town Gardeners A master gardener, whose salary is partially paid by a grant from the New Orleans Town Gardeners, oversees the gardening project

The school has also formed a unique partnership with New Orleans Outreach and the Young Leadership Council. Each year, NOCMS eighth graders participate in a program called "Power Ties " The program's goal is to build partnerships with professionals in the business community to create innovative educational opportunities for public school students More specifically, students participate in training workshops designed to



Art work created by the students at New Orleans Charter Middle School

teach them interviewing skills, office skills, how to complete an application, and good work habits Students participate in a career fair, where they actually interview for jobs Students visit various business sites and at various times during the year students have the opportunity to participate in internships that last several days to a week

Every year, 20 to 30 NOCMS students attend summer camps outside Louisiana They hike in Montana, bike in California, and canoe in Pennsylvania The students receive scholarships to participate in the camps and NOCMS raises money to help parents pay the costs of travel and equipment

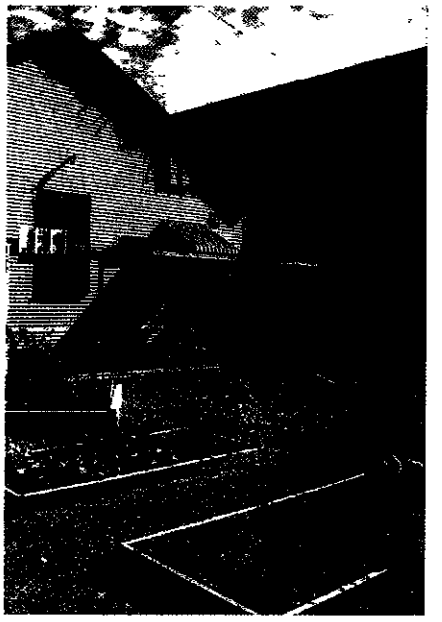
As for the school's high level of parental involvement and support, Recasner says simply that he "recruits the kids, they recruit the parents " The school does not have a PTA or PTO Instead, NOCMS organizes parents through an informal network of school support teams. The teams work to support the school's efforts in whatever capacity is needed Recasner believes it is his job to prove to parents that public education can work for them, no matter what their economic or social circumstance He has shown that you can "get the parent through the child "

Attendance is a high priority at NOCMS and parents and students understand this goal For the first quarter of this year, the school's average daily attendance was 97 7% Parents help by scheduling their children's doctor appointments and other engagements so that they do not conflict with time spent in the core academic courses

Parents citywide are clamoring to get their children into NOCMS The state law, however, requires charter schools to admit students through a random lottery In the first year, there were three applications for every available seat As a way of limiting the disappointment experienced by parents and children who don't make it into the school, Recasner has decreased the competition to about 1 5 students for every seat

Recasner approaches school administration in the same innovative way he approaches the academics The school made headlines a couple of years ago when he gave his teachers a 10% pay raise Recasner believes in treating teachers as professionals. and that includes paying them accordingly He encourages them to create their own work, *i e* , the curriculum, rather than using "canned" educational programs. Recasner has said that the now-famous pay increase was part of the "corporate mission "

Regarding student test scores, Recasner claims that NOCMS is the highest-performing non-magnet middle school in Orleans Parish Data confirms this On the 2001 LEAP tests, 82 8% of NOCMS eighth-grade students passed the



English/Language Arts section, and 71 6% passed the Mathematics section In Orleans Parish overall, 62 9% passed English/Language Arts, and 41 0% passed Mathematics The state passage rate was 85 9% for English/Language Arts, and 72 2% for Mathematics Student performance on the Iowa Test of Basic Skills (a national, norm-referenced test) is not yet as high as Recasner would like, but they are improving New Orleans Charter Middle School sixth- and seventh-grade students do, however, perform higher than the Orleans Parish school district average Recasner says that the average student is two grades below level when they begin at NOCMS

In its brief history, 78% of the school's eighth graders have been admitted to the city's selective magnet schools This is a notable accomplishment for any school, but particularly for NOCMS Eighty-six percent of NOCMS students are eligible for free or reduced lunch, the federal standard for determining if a student is living in poverty This technically makes NOCMS a Title I school, which is a federal designation that means the school has a high concentration of poor students and may receive additional federal dollars

Recasner says that what he is doing at NOCMS is "not revolutionary " He says he has simply worked to create an effective organization and a productive learning environment Recasner says that NOCMS has been fiscally sound from the very beginning, receiving revenue from the state, local school district and private donations However, he is gearing up for a capital campaign in order to renovate and repair the aging school campus

Recasner and the NOCMS staff are making a difference in the lives of hundreds of children, as well as their parents Recasner wants NOCMS to be one of the best middle schools in the state He says that he "wants each and every child to walk away from this school daily and feel as if they've accomplished something in their life " And, to help others start charter schools by sharing his experiences and challenges, Recasner has become a driving force behind the creation of the new Louisiana Charter Schools Association This association will be a strong voice in the charter schools movement—Recasner will see to it



JEFF JOHNSTON PHOTOGRAPH

CHARTER SCHOOL AIMS TO KEEP BREAKING NEW GROUND

BY A.J. MISTRETTA

Anthony Recasner believes for kids to succeed academically, they must have extracurricular opportunities that help them develop socially and emotionally It's a premise at the heart of New Orleans Charter Middle School, where Recasner serves as director Each day, students at New Orleans Charter Middle finish their academic work before lunch and participate in two elective classes in the afternoons The electives, roughly an hour each, range from theater to flag football to cartooning to yoga.

"What ends up happening is kids who don't know what their interests are all the sudden get exposed to this world of unique and engaging activities," he says "They begin to develop an identity relative to the things they're interested in, realizing that there are other possibilities, thinking (for instance) more like landscape architects than grass cutters."

Recasner and his team first began their work when they launched James Lewis Extension School in 1992 At that time, the city's middle schools were struggling more than others academically, he says In 1998 the Orleans Parish School Board approved the charter proposal that transformed James Lewis Extension into New Orleans Charter Middle School

Today, New Orleans Charter is the highest performing non-magnet public school in the city, drawing students from

re than 30 different elementary schools ach year the school has a random admissions lottery to determine which of its many applicants will be enrolled in the 360 available seats in grades sixth through eighth Recasner says about 85 percent of the school's graduates go on to one of the city's more selective magnet high schools

Several years ago, Recasner says he and his colleagues recognized that the six- or seven-period day was proving too much for their students, many of whom were coming from academically weak backgrounds The faculty developed an immersion-type curriculum in which students study each subject individually for two consecutive weeks every quarter "It has made a tremendous difference in the kids and what they can focus on," Recasner says.

In February, New Orleans Charter Middle applied to take over Samuel J Green Middle School, one of a number of local public schools classified by the state as failing Under legislation passed two years ago, the Board of Elementary and Secondary Education can remove failing schools from the New Orleans Public School District and place them in a recovery district to be managed by new operators Last year, the University of New Orleans was the first organization to participate in a takeover when it agreed to manage Pierre A. Capdau Middle School Though test scores are not yet available, early indicators suggest the takeover has improved student performance

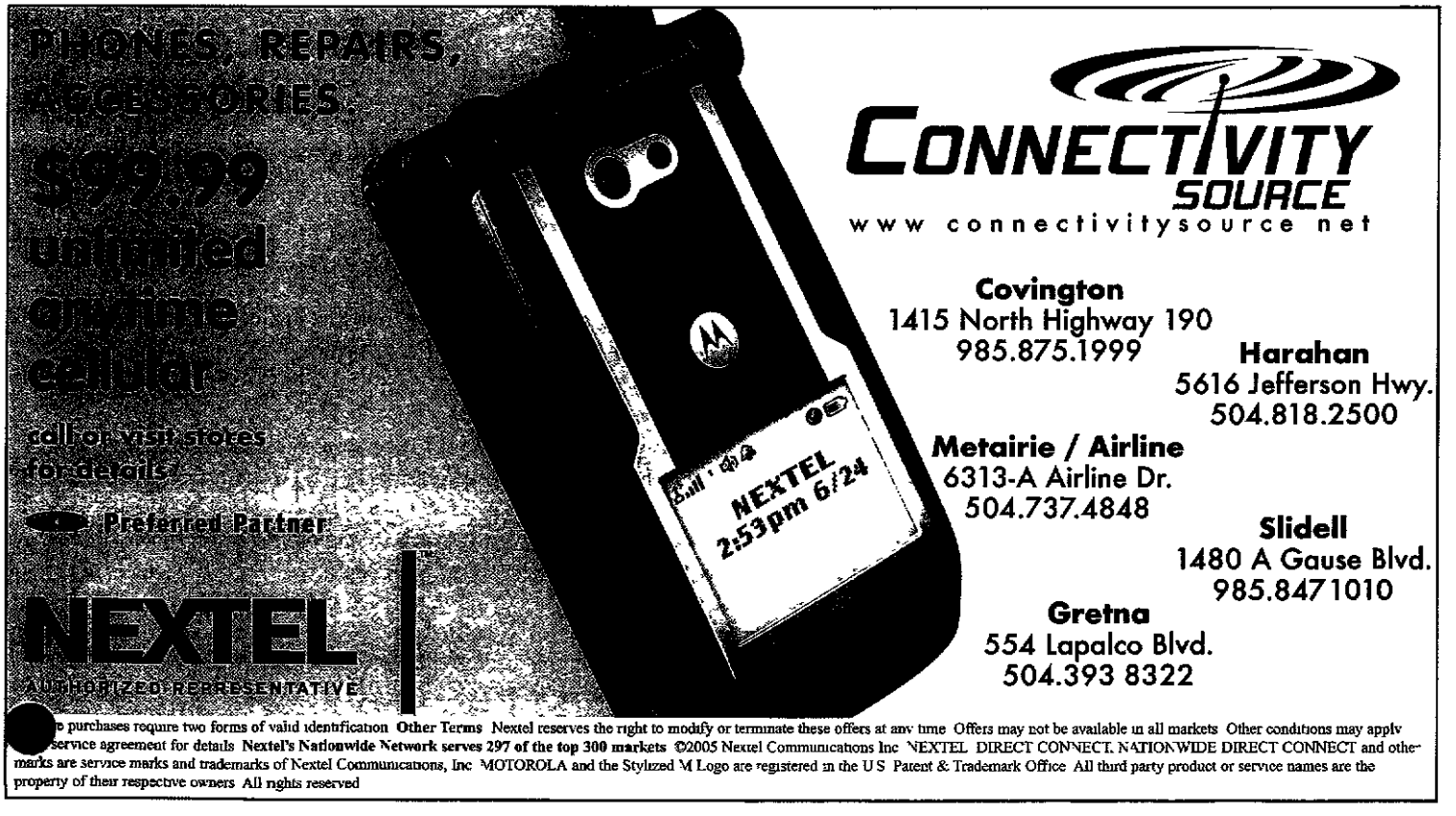
"We really don't see this as a takeover," Recasner says. "This is an opportunity to really expand our work."

New Orleans Charter chose Samuel J Green among those schools eligible for takeover largely because of the layout and location of its large Uptown campus, Recasner says

If the takeover is approved, the school will open next year with grades fourth, fifth, sixth and eighth, with the majority of eighth graders coming from the current seventh grade class In the 2006-07 academic year, the school will add grades kindergarten through third and seventh The school will have its own principal, with Recasner acting as director over both campuses "We really don't see this as a takeover," he says "This is an opportunity to really expand our work."

Recasner says there has long been a concern that the local community would not respond favorably to school takeovers "The Capdau experience suggests that things are so challenging right now, the community is welcoming this For us, that gave us a green light If the community were in an uproar, I don't think we would pursue it because we're doing a good job here."

Under the Type 5 charter, the School District may regain control of takeover schools after the five-year term of the contract Recasner says he would welcome that idea "Ultimately, the school district should run public schools Like any business you need incubators of ideas, centers of innovation I think that's what we are," he says "The goal would be to give one back and take another one" ●



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Jonathan Alter

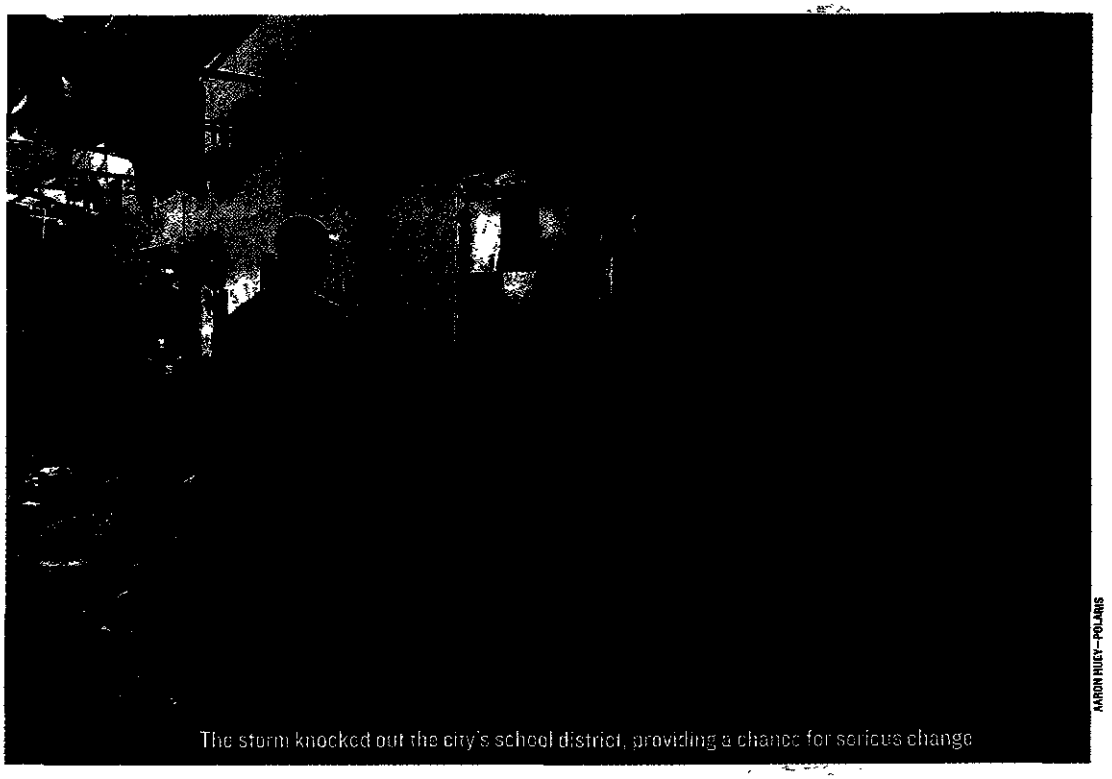
LEARNING HOW TO HOPE

"It's against the law to give a back rub?" she asked. "It takes all of you to arrest somebody? Don't y'all have something better to do?"

Not as far as Bayard was concerned. As two cops walked the alleged hooker to the door, Bayard turned to a sergeant and said, "That's good, Skinny. This is what we need to be doing."

Charles Davis was already looking forward to Mardi Gras. "You can only take so much away from a New Orleanian," he says. "One thing you can't take away is Mardi Gras. It's part of our social fabric." Davis lovingly previewed the ritual of revelry on the Friday before Fat Tuesday he and his krewe—some 500 strong—will gather for lunch and ribald jokes. Then they will spill out into the French Quarter with their newly christened "king" for a parade. At 6 p.m., in masks and satin costumes, they will process down St. Charles Avenue atop two dozen floats. Lieutenants on horseback will lead the way, followed by the king, waving his jewel-studded scepter, and his court. Farther back, his followers will toss Mardi Gras beads and favors—stuffed animals for the kids, panties for the ladies—to the crowd. "It's a wonderful response," says Davis. "It's like you're a rock star for three hours." The parties will stretch to Ash Wednesday morning and the season of Lent.

Lisa and Larry may, or may not, be back for Mardi Gras. Larry has been living in New Orleans making as much as $100 an hour as a roofer, working seven days a week. Lisa dreams that he will make enough for a down payment for a house, maybe in Hammond, north of New Orleans, where her grandmother lived. It would be good for the kids to live in the country, she thinks. Lisa's moods swing from hope to dejection and anger. She misses her husband. "I need for us to be a family again," she says. "I've got to get it together. I think I'm going to lose my mind." She still has trouble sleeping. In her dreams, she is in the water, with a child on her back, unable to reach the shore. ■



AARON HUEY—POLARIS

The storm knocked out the city's school district, providing a chance for serious change

NEW ORLEANS IN DECEMBER IS COOL AND DRY, AND the 20 percent that wasn't flooded seems normal enough. But the pictures don't even begin to convey the scope of what 17 days of standing water will do to the delicate ecosystem of a metropolis. More than 50 million cubic yards of debris have already been picked up, including 100,000 useless refrigerators—that's 34 normal years of garbage in just three months.

Every day brings more mounds of tangled possessions and sundry junk, the stuffing of a city. I rode with a nonprofit group called Share Our Strength past the thousands of abandoned cars and handwritten WE TEAR DOWN HOUSES signs at intersections that still have no working stoplights; past the still-mysterious levee breaks and reopened Wal-Marts, past mile after eerie mile of homes and stores that for a moment look habitable enough, until you see the thick layers of dust and mold and grimy water lines four or six or eight feet up, a sure indication that the place is a total loss.

So the gutting of New Orleans has begun, but not the renovation. Why build anything yet? The place is on hold: gumbo limbo. Residents and their insurers are all waiting to see if the federal Army Corps of Engineers (responsible for the faulty levees in the first place) will fulfill its promise and at least minimally secure the city by the time the hurricane season begins again next June. The original estimate was that two thirds of the city's 450,000 people would return and one third would stay away. Now those numbers have been flipped, though no one actually has a clue.

The housing situation is a scandal. Of the 73,000 trailers needed, only 14,700 have

Amid the heartache—feelings that can lead to tears in an instant—a few rays of winter sun are slipping through.

arrived. And the trailer parks, while peaceful now, have the frustrated feel of future Gaza Strips. I toured "Renaissance Village"—a Baton Rouge trailer park with 1,600 people (the largest so far)—which FEMA fobbed off on a subpar subcontractor. It still had no place for the residents to even pick up their mail, much less any real services. FEMA remains a disaster area, trashed in every conversation. One prominent Louisianan recalled how, just after the storm, physicians from Doctors Without Borders were told they could not give treatment to moaning victims lying on the tarmac at Louis Armstrong airport because the doctors were not FEMA-certified.

But amid all the heartache—the still-raw feelings that can lead to tears in an instant—a few tiny rays of winter sun are slipping through. Newly created institutions like the Louisiana Family Recovery Corps and the Louisiana Recovery Authority are beginning to cut through the chaos to supervise better and plan rationally. About three months late, President Bush finally appointed a federal coordinator, Donald Powell, who doesn't have the clout that a big name would have brought but whose background in banking is appropriate to the tangled reconstruction challenge. Most encouraging, the hurricane blew away the New Orleans school district, a cesspool of corruption and neglect that made local schools among the worst in the country. With the entrenched bureaucrats and teachers-union hacks scattered to the winds, the state legislature took the opportunity to strip them of all their power.

With a scaled-down student body, New Orleans will be the perfect size for a true experiment in school reform.

This offers what Tony Recasner, the principal of the New Orleans Charter Middle School, calls a "magic moment" for major change. Almost all the schools that will begin reopening in 2006 (mostly in the fall) will be charter schools, where everyone works on one-year contracts (full accountability) and the principal can actually run the school. "This gives us an opportunity to fix each school as it comes back on line," says Recasner, who already has an impressive track record of academic achievement in his school. "We get to create something from our own imagination and ask: what is this going to be?"

The answer, ideally, would be a series of KIPP (Knowledge Is Power Program) schools. The nearly 50 KIPP schools around the country have an astonishing record of academic success with low-income students, not with shortcuts but with a disciplined "be nice, work hard" program. While KIPP has only one New Orleans school planned and not nearly enough leaders in its pipeline yet, Recasner and the other avatars of local school reform are eager to adapt the model. The challenge is to get the right leadership in. And because the system will go from 60,000 students to about 20,000 next fall, New Orleans will have the perfect size for a true national experiment with school reform.

Randy Ewing, the chairman of the Louisiana Family Recovery Corps, says, "Our mind-set is not to return people to normal, because normal wasn't too good. Our challenge is to take them to a better life." That will take time, but it should not be seen as impossible. ■

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WONDER WEEK COURSE CATALOG 2004

MORNING CLASSES

CFFL: CHARTER FLAG FOOTBALL LEAGUE for GIRLS: Mr. Richardson

If you thought the Superbowl was exciting, wait until you actually play in the CFFL Everyone in this class will play on a team that competes for the league championship. Each day teams will play each other in real games. Also, be ready to get in shape and practice plays with your team **Girls** who want a hard workout and are ready to play ball are invited to join in the action

CHARTER UNDERWATER I (BEGINNER'S SWIMMING): Ms. Martin

Love to swim? Come spend the afternoon playing in the water and learning how to become an even better swimmer Make sure you have your towel!

EVERY GIRL'S DREAM (DESIGNING DOLL CLOTHES): Mrs. Benoit

Have you ever dreamed of becoming a fashion designer or a home decorator? Make your dream come true by designing and creating your very own doll fashions and furniture If time permits, we may even sew a piece for you **Girls only.**

FANCY FEET (TAP DANCING): Ms. Costello

This class, an introduction to tap dancing, is designed to get your feet moving and your toes tapping. If you like to dance and you've always wanted to learn how to do some extra fancy footwork, this class is for you

SOFTBALL: Mr. Richardson

Spend your morning on the field, hitting, throwing, running, and catching We will play games and practice our skills, so if you want to have fun and get better at softball, come on out

AFTERNOON CLASSES

CHARTER UNDERWATER II (ADVANCED SWIMMING): Ms. Martin

Love to swim? Come spend the afternoon playing in the water and learning how to become an even better swimmer Make sure you have your towel **You must already know how to swim to sign up for this class.**

CFFL: CHARTER FLAG FOOTBALL LEAGUE: Mr. Richardson

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YUMMY TO THE TUMMY (COOKING): Ms. Costello

Let's dish up something besides the dirt Come spend your time cooking, eating and learning about fine dining Practice good etiquette Learn about organic foods and how to get the best deal at the grocery store Move aside Betty Crocker. There's a new chef in town

ALL DAY CLASSES

AFRICAN DANCE ON TOUR: Mama Mariama

Building on Umoja, this class will begin with dance workshops and move into touring around to elementary schools around the city Come out and feel the rhythm

AMERICA'S TOP DESIGNER: Ms. Lee

Calling all fashion designers! Learn how to choose colors, fabrics, and cuts to create the perfect outfit for every occasion Then, design and create a one-of-a-kind shirt and/or skirt for yourself. Learn how to model your own creations for a fashion show during the Wonder Week Showcase Finally, explore careers in fashion design by visiting a designer in the local area

BOB THE BUILDER CREATES UNIQUE GIFTS: Mr. Hernandez

Would you like to try your hand in building a truly unique and exquisite Mother's Day gift? If fabricating thing from wood interests you, then sign up for this class. We practically guarantee that you will have something to take home at week's end

BLAST FROM THE PAST---DIVERSE VOICES II: Ms. Smyth

Do you remember how exciting it was shopping at the Vietnamese store, trying new food or seeing a real Buddist temple? If so, join me as we visit the past and create the future We'll relive trips and activities done during DV I to create better experiences for future 7th grade students participating in Diverse Voices for the first time Help me create experiences that are remembered forever!

CHARTER REPORTS! : Ms. McKinnon

Have you ever wanted to report special events as done on Entertainment Tonight? Do you think about shooting photos for magazines or creating a video? If so, this is the class for you! Students will design a newspaper and video news report highlighting Wonder Week You'll learn to write stories, conduct interviews, create layouts and shoot video! At the end of class, each student will receivea copy of the videotape and newspaper produced Remember to report the FACTS only! **Students are encouraged to bring their own 35mm or digital cameras.**

COLLEGE CONNECTION : Ms. Baylor

You ever wonder what's it like to be a college student? Join us and explore several colleges and universities in the city!!! This is a wonderful opportunity to meet college students, sit in on various college academic courses, and see what campus living and lifestyles are like

EXPOSURE! : Ms. Russell

Are you someone who almost never leaves your neighborhood? Have you ever wondered what people eat in Japan? Is your soul bursting to have an original Strawberry Shortcake or Spiderman lunch box? If so, EXPOSURE is for you! In this class, we'll explore what makes the neghborhoods in New Orleans different and eat foods from around the world. The class will involve a lot of walking and trying new things so pack your comfortable shoes, a camera, and an open mind!

GIRL POWER! : Mrs. O'Dwyer

Ever tried kickboxing? How about rock climbing? In this class, girls will explore different kinds of exercise, as well as, learn the fundamentals of good nutrition Be prepared to sweat as you explore racquetball, swimming, yoga, weight training, tennis and more! Don't forget your exercise attire and water bottles! **Girls Only.**

GREEN THUMB (GARDENS & GARDENING): Mrs. Skipper

Interested in plants and gardens? This class will travel to various gardens around New Orleans to learn about the craft of gardening from some real artists. Ifyou love gardening, then this class is for you

BLAZING TRAILS: Ms. Parker, Mr. Gerkin & Mr. Oxie

Like to ride your bike? Looking for a tough challenge? Want to travel? We will take our bikes and ride them on trails in Baton Rouge and Biloxi and even camp overnight in Mississippi **This class is only for students who have taken bike repair before.**

NATURALIST: Ms. Feil

Want to spend more time outside? Want to explore the wonders of Louisiana? If so, join me and become a NATURALIST in Louisiana State Parks and preserve your memories through various exciting art projects You'll have an experience of a lifetime.

NATURALLY N'AWLINS: Ms. Clemons

Enjoy 4 fabulous days of exploring New Orleans. Experience an educational adventure through the town, down a nature trail, observing exotic fish and seeing different breeds of animals This class will give you a closer look at what makes New Orleans a great place. Come stroll with us through the French Quarter. It'll be lots of fun!

N.O.C.M.S. RECORDS: Mr. Campanga & Mr. Tancill

Calling all future superstars!!! Do you think your the next Alicia Keys or Usher? Can you rap like LL Cool J or make beats like Mannie Fresh? If so, this is the class for you! We'll write and record original songs, create tunes you can dance to and you'll go home with you first demo Join us as we make hits in the Charter studio where stars are made

ON THE SCENES (DANCE THEATRE): Mama Baderinwa

If you are thinking of becoming a professional dancer or actor, this class will show you the journey ahead We will travel to various places around the city to perform Now it's time to teat everything you've learned Lights! Cameras! Costumes! Action! Dance!

PERCUSSION TOUR: Baba Kenyatta

This course builds on Kuumba, the African percussion workshop Students will practice drumming at various locations around the city and then take their show on the road to other schools Da-Da-Dum

WETLAND WONDERS: Ms. Burkett, Mr. Sextion & Mr. Furman

Have you ever looked for alligator eyes in the dead of the night? Discover the dark beauty of the Louisiana Swamp! Spend days and nights experiencing the rich splendor of our wetlands, canoeing, nature sketching, and stargazing You'll never long for the city life again This class will spend two nights and three days away, so if you sign up, make sure you won't get homesick **Seventh and eighth grade only please.**

WIDE WORLD OF SPORTS: Ms. Cullen

Do you like to play sports? Have you ever thought about all of the careers related to sports In thisclass we will play sports each day, but we will do more than that. We will also explore a range of careers in the business of sports trainers, writers, television reporters and camera men, and managers Learn about the sporting life

NEW ORLEANS CHARTER MIDDLE SCHOOL
ELECTIVE CATALOG
2004-2005

BLUE ELECTIVES: 3rd ROTATION

Bicycle Repair & Mechanics
Want to learn how to repair your own bicycle or put bicycles together from spare parts? This is a hands-on bicycle repair class.

Drawing & Cartooning
Do you like cartoons, drawing and fantasy? If so, then have fun creating your own comic strip using your favorite characters or make up your own

Gardening: The Living Art
Interested in plants, flowers, vegetables, and herbs? Learn how to work with all these things to make a spectacular garden! Beautify the school by developing and maintaining the gardens here.

Lift Your Voice
Do you have a voice like Beyonce or Usher? Whitney or Luther? Yolanda or Donnie? If so, join the NOCMS Choir. Develop your voice, vocal range, and confidence. You can perform around the city and sing, sing, sing!

Mardi Gras Indians: Art, Music, Dance & History
Ever wonder how those beautiful Mardi Gras Indian costumes are made? If you like sewing, and beading, you can make similar pieces of art as you learn the songs, music, and history of our New Orleans culture

Mural Making
Take a look around the school and view the murals on the walls and in the building. This is the work of the students from Mural Making. You too can learn how to create a mural transferring your drawings from small scale to a large scale

Stage Props
Learn to create and design stage props for the theatre and school performances You'll draw, paint, and build stage props just like the professionals. If you're creative and like to work with your hands, this is the class for you!

Stage Right! Theatre
If you dream about becoming an actor/actress, or any type of live performer, this class is for you! Learn acting techniques, develop your stage presence, and perform for an audience if you dare!

U^2: Cooking, Home Crafts, Healthy Living & Lifestyle
This class is all about U! We will discover nutritious food for the body, develop cooking skills, create crafts and soaps, explore fashion and learn to make smart decisions about our lives Let's get U squared!

NEW ORLEANS CHARTER MIDDLE SCHOOL
ELECTIVE CATALOG
2004-2005

RED ELECTIVES: 3rd ROTATION

Dance Theatre
Turns! Leaps! Jumps! This class will teach you the techniques of modern, jazz, and African dance as you develop your performing skills As a performance class, you will perform onstage and work with professional dance companies Be prepared to dance barefoot and wear loose fit clothing.

Fearless Tigers: Karate Discipline Program
Are you a fan of Bruce Lee? Learn the elements of martial arts, self-defense, and discipline. This is a physical and mental class, so be ready to work hard.

Flag Football
Have fun playing and learning the rules of this popular sport This class will emphasize good sportsmanship and teamwork, so only sign up if you are more interested in having fun than in winning.

Girls Flag Football
Girls! Now it's your turn! Learn the rules and have fun playing football Be prepared to sweat, run, throw, and play just like the boys!

Kuumba: World Percussion
Kuumba, which means creativity, will challenge you through music. You will learn to play rhythms from Africa, Brazil, Haiti, and Cuba We will create rhythms and build percussion instruments of your own. This is a performance class and you'll have a chance to show your skills to an audience.

Soccer
What is the most popular sport in Brazil? In Africa? In Europe? It's soccer, the most popular sport in the world. Learn how to dribble and shoot with your feet as you practice the basics of soccer and play the game This class is for boys and girls

Umoja: African Dance & Culture
In this class, you will learn traditional African dances You will explore the culture and history of Africa and its dances. This is a performance-based class and will involve strenuous daily workouts for your body as well as your mind.

New Orleans
OUTREACH

OVERVIEW – 2003-2004

New Orleans Outreach is a non-profit organization whose mission is ***to improve the quality of public education by linking volunteers with staff and students through programs that respond to the particular needs of each school.*** Since 1993, New Orleans Outreach has brought together over 2,700 volunteers and over 3,500 children.

New Orleans Outreach responds to three distinct problems that affect a school's ability to educate its students: (1) Students lack individual attention and exposure to a wide array of subject matters; (2) Teachers lack time and support in the planning and development of a sufficient range of educational opportunities and experiences for children; and (3) Public schools lack the support of the broader community, which views the schools as mismanaged, out-of-control, and ineffective.

Through partnerships with public elementary and middle schools. New Orleans Outreach simultaneously achieves three goals:

1. New Orleans Outreach directly enriches children's education. Last year ('03-04), 890 students benefited from volunteers and other partners serving as after school teachers, teacher interns, tutors, mentors, job-site hosts, and special workshop leaders.

2. New Orleans Outreach builds the capacity of schools to effectively educate children. Outreach improves schools by bringing direct help into the classroom to reduce student/teacher ratios, creating after school programs, coordinating parent-school support teams, and providing a range of other programming for students through community partnerships with outside organizations

3. New Orleans Outreach increases support for, and involvement in, public education. Our volunteers and partners develop relationships with students, teachers, and their schools and become more committed to improving public education.

The long-term goal of New Orleans Outreach is to develop a model for bringing volunteer-based programming into schools that actually helps make schools better. Outreach staff work with principals, parents, teachers, and students to identify the needs and improvement goals of each particular school and then to craft and implement volunteer-based programs in response to these needs and goals. This strategically responsive model directly serves students and provides a variety of volunteer opportunities for community members, and, at the same time, it plays a significant role in school reform, particularly in a city with under-resourced public schools such as New Orleans.

New Orleans OUTREACH

New Orleans Outreach targets children attending public elementary and middle schools in Orleans Parish. The students range from 7 to 14 years old and live all over the city. Schools are selected based on their need for resources and their staff's commitment to improve their students' education. The students served are 98% African American; at least 88% are economically disadvantaged, as indicated by the percent who qualify for free or reduced lunch.

In 2003-04 Outreach served four schools, with a total of 734 volunteers and other partners contributing 9,995 hours to serve 890 children. Volunteers and other partners from community-based organizations worked with administrators, teachers, and students at the host sites. In addition to individual volunteers, students benefited from working with visual arts instructors from YA/YA, Inc., videography teachers from NOVAC, science educators from TREE (Teaching Responsible Earth Education), and literacy instructors from STAIR and Prime Time Family Reading program. Students were offered many rich and diverse experiences, all geared to improving academic achievement and self-esteem. These offerings complement the 40+ electives taught by volunteers and teachers during the after school hours. Velta Simms, principal at Ronald McNair Elementary School, says, "I can't imagine running my school without New Orleans Outreach."

Specifically, Outreach responds to the variety of needs identified by host school personnel by developing the following programs, staffed primarily by volunteers:

- **After school electives:** students are able to choose from a variety of classes, ranging from horticulture to medicine and from chess to basketball.
- **Tutoring:** volunteers come during the school day and after school to provide one-on-one tutoring to students, with particular focus on fourth and eighth grade students preparing for the LEAP test.
- **Teacher assistants:** these volunteers help reduce the student/teacher ratio in classes and get a taste of what teaching is like.
- **Mentors:** students receive individual attention and guidance from caring individuals.
- **Parent Support Teams:** schools identify a variety of ways in which parents can help: chaperoning field trips, monitoring the yard in the morning, assisting teachers in the classroom, serving as reading tutors, and decorating the school.
- **Power Ties:** this job skills and career awareness program links professionals from various occupations with students through job skills workshops, a career fair, job site visits, and vacation internships.
- **Reading Programs:** parents, college students, and community volunteers serve as reading tutors in literacy programs at elementary school sites.
- **Interschool activity days:** these activity days bring together students from the host schools with students from nearby private schools.



- **Special programming:** Outreach staff coordinates a variety of seminars, workshops, and programs at each site based on special requests from the schools and various interests of volunteers. Examples of these programs range from a finance seminar taught by employees from a local bank to a series of girls' health awareness workshops for sixth graders taught by graduate students from Tulane School of Public Health.
- **21st Century Community Learning Center Collaborative Partners:** Through a cooperative agreement with UNO, three of Outreach's four school sites receive services from paid partner organizations including YA/YA, NOVAC, TREE, STAIR and Prime Time.

The diversity of programming is matched by the diversity of volunteers. Parents, grandparents, college and high school students, business professionals, public servants, artists, and other interested community members volunteer through Outreach in order to have a direct effect on public school students. Outreach staff develops and coordinates these volunteer efforts to provide quality programs that improve their host schools and are rewarding for volunteers.

PARTNERSHIPS

New Orleans Outreach has long-term formal partnerships with many organizations that provide volunteers and other services to our organization: U.S. Army Corps of Engineers, Audubon Institute, Bank One, Boy Scouts of America, Community Action Council for Tulane University Students (C.A.C.T.U.S.), Dillard University Volunteer Services, Girl Scouts of America, LSU Medical School Pediatric Interest Group, Louise McGhee School, Academy of the Sacred Heart, Metairie Park Country Day School, Newcomb School of Dance, New Orleans Town Gardeners, Tulane Graduate Department of Chemistry, Tulane Office of Student Employment, Xavier University, Start the Adventure in Reading (S.T.A.I.R.), Each One Save One, Young Artists/Young Aspirations (YA/YA), New Orleans Video Access Center (NOVAC), Teaching Responsible Earth Education (TREE), and Prime Time Family Reading Time.

SUPPORTERS

Widespread commitment to New Orleans Outreach's vision for improving public education through community involvement is evidenced by the variety of the program's supporters, including the Conwill Family Foundation, Delta Service Corps, GPOA Foundation, Greater New Orleans Foundation, Haspel Foundation, Hibernia National Bank, Institute of Mental Hygiene, Allan Kanner and Associates, Keller Family Foundation, Senator Mary Landrieu, Hon. Mitch Landrieu, Hon. Paulette Irons, Park One, Rain Vodka, Reily Foundation, Rittvo Family, RosaMary Foundation, Tenet Health Systems, Mary Freeman Wisdom Foundation, and the Edward Wisner Donation Fund, as well as many other individual contributors to our annual *Brainstorm* Bash Fundraiser and annual fund.

New Orleans
OUTREACH



HISTORY OF NEW ORLEANS OUTREACH

New Orleans Outreach is a non-profit organization with the mission to improve the quality of public education by linking volunteers with staff and students through programs that respond to the particular needs of each school For eleven years New Orleans Outreach has provided direct support to schools through its site management of various volunteer-driven programs, which include teacher assistants, tutoring, after school electives, health and career awareness programs, and parent-run school support teams. Since 1993 New Orleans Outreach has brought together over 2,700 volunteers and over 3,500 children.

Although New Orleans Outreach began in September 1993, the impetus and ideas for the program are inextricably linked to two other models for education reform: New Orleans Charter Middle School (formerly James Lewis Extension), an independent public middle school, and New Orleans Summerbridge, a youth-taught, summer-intensive program for middle school students.

Summerbridge started in New Orleans in 1990 Based on the prototype in San Francisco, Summerbridge recruits local and national high school and college students to teach small classes of their own design to groups of 5-7 middle school children during the summer. The program emphasizes experiential learning, multiculturalism, leadership development, and academic skill building. During the year, Summerbridge provides year-round support and retreats for its students

In the summer of 1992, Jay Altman, the founder of New Orleans Summerbridge, and parents of Summerbridge students convened to discuss the prospect of applying the Summerbridge model to a year-round public school. Creating a school, however, was a formidable task without the current charter school legislation. Eventually, the Archdiocese leased the team a building in Treme, and Lewis Elementary agreed to adopt an "Extension" middle school, housed in a separate building.

At the end of the first year, Jay Altman realized that Lewis Extension would greatly improve if the community were actively involved. He asked Jason Moss, a two-year Summerbridge veteran, to design a program that increased the community's role in public schools. With the financial support of the Echoing Green Foundation, this program became **New Orleans Outreach.**

During the 1993-1994 school year, New Orleans Outreach developed a partnership with James Lewis Extension. During the 1996-1997 school year, New Orleans Outreach expanded to another site, Ronald McNair Elementary School. In June 1998, Lewis Extension became the New Orleans Charter Middle School, the first charter school in Orleans Parish. New Orleans Outreach's involvement at this school was critical to its success in converting to a charter school. During the 2002-2003 school year, a total of 483 volunteers spent over 7,719 hours providing service to our two partnering schools with a total enrollment of 677 students.

In August 2003 New Orleans Outreach added two new sites as a result of its partnership with the University of New Orleans Department of Education's 21st Century Community Learning Center. Funding from the state of Louisiana covered the costs of these two new sites, Sophie B Wright Middle School and Marquis de Lafayette Elementary School, and those of the existing site at McNair School. At this time New Orleans Outreach offers comprehensive after school programs utilizing Outreach's traditional volunteer-fueled classes plus new partnerships with community-based arts and education organizations including Young Aspirations/Young Artists (YA/YA), Teaching Responsible Earth Education (T.R.E.E.), New Orleans Video Access Center (NOVAC), and two literacy programs, Prime Time Family Reading Time, and Start the Adventures in Reading (STAIR). During the 2003-2004 school year, 734 volunteers and other partners spent 9,995 hours serving 890 children at four school sites.

New Orleans
OUTREACH



WHAT PEOPLE SAY...

"I can't imagine running my school without New Orleans Outreach."

-Velta Simms
Principal

"New Orleans Outreach has evolved from an afterschool program into a fully integrated part of the school and curriculum. The assistance that is provided is invaluable."

-Sean Raymond
8th Grade Science Teacher

One of the greatest highlights as a volunteer is walking into the classroom and receiving a hug

-Marica Markham
Teacher Assistant/After school Teacher

"This is the place to have fun and learn "

–Kyron Nash
7th Grade Student

"Looking forward to next year's program-wish it was throughout the year "

–Shirley Orkes
Parent

"One of my greatest highlights as a volunteer was when I helped a student go from a failing grade to 100%. I also made close relationships with a lot of the kids."

-Greg Shane
Teacher Assistant

"My grandson has changed his outlook on doing better."

–Mrs. O.W.
Grandmother

"New Outreach is a great asset to our school and this community "

Mrs Daunoy
3rd Grade Teacher

"I would tell a friend that New Orleans Outreach is fun and you learn a lot of things that you didn't know "

–Danielle Jones
8th Grade Student

"The student's love and kindness really makes volunteering worth it. Their smiles and eagerness to come spend time with me makes me want to volunteer five days a week."

-Michelle Goff
Tutor/After school Teacher

"Every school should have the help of N.O Outreach."

-Laura Adelman-Cannon
6th Grade Social Studies Teacher

MANAGEMENT AGREEMENT

This Management Agreement ("Agreement") is made and entered into as of this 6th day of March, 2006, by and between MIDDLE SCHOOL ADVOCATES FOR SAMUEL GREEN CHARTER SCHOOL ("School") and SODEXHO OPERATIONS, LLC, a Delaware limited liability company ("Sodexho"), who agree as follows:

ARTICLE I
PURPOSE OF AGREEMENT

1.1 Purpose of Agreement. The Agreement sets forth the terms and conditions upon which School retains Sodexho to manage and operate Food Service for School's students, employees, visitors and guests at the Premises.

1.2 Agency Relationship. Sodexho shall be an agent for School in management of the Food Service operation.

1.3 Regulations and Access. School may supervise and control Sodexho's daily operation of the Food Service with respect to all matters (including working conditions for the Food Service employees and safety, sanitation, and maintenance of the Food Service facilities). School may make reasonable regulations with regard to all such matters, and shall give Sodexho written notice thereof. School's authorized representatives shall have access to the Premises at all times.

1.4 Confidentiality. The terms and conditions of this Agreement are confidential. School and Sodexho represent and warrant to each other that each party shall maintain the confidentiality of the terms and conditions of this Agreement, however, such restriction shall not prohibit either party from disclosing the existence of the relationship, Term of the Agreement or the projected sales volume related to the terms of the Agreement

ARTICLE II
DEFINITIONS

2.1 Accounting Period A period of a calendar month, twelve (12) of which shall constitute an accounting year.

2.2 Charges Fees established by Sodexho for goods or services provided by Sodexho that are not included in the Management Fee.

2.3 Deficit. The excess of the total of Opening Expenses, Operating

Expenses and Management Fee over Net Sales

2.4 Food Service. The preparation, service and sale of food, beverages (including milk), goods, merchandise and other items at the Premises including but not limited to vending service

2.5 General Support Services Allowance. Allowance for Sodexho overhead for the following:

A. Supervision of Sodexho employees by executives not assigned to the Food Service operation, and

B. General support provided by Sodexho's accounting, tax and internal audit departments.

2.6 Gross Sales. All sales of food, beverages, goods, merchandise and services in the Food Service operation, plus sales taxes and federal and state reimbursements.

2.7 Management Fee. The fee established in Section 7.4.

2.8 Meal Equivalents. The result of dividing the total of Net Sales exclusive of Pattern Meal sales and milk program reimbursements (but inclusive of cash for adult meals, a la carte food and beverages (including milk), snack bar, catering, conferences, Head Start Program, In-kind meals, or any other functions or meal sales) by Two Dollars ($2.00)

2.9 Net Sales. Gross Sales excluding sales and use taxes.

2.10 Non-Program Expenses. Certain expenses paid directly by School and not included in calculating Food Service Program Surplus or Deficit.

2.11 Opening Expenses. All costs, Charges and expenses relating to the opening of the Food Service operation including, but not limited to, pre-opening labor expenses, supervisory and training expenses including travel, meals, and lodging expenses, advertising, forms, opening promotions, and opening office supplies, and interviewing and relocation expenses, not to exceed Three Thousand Five Hundred Dollars ($3,500.00).

2.12 Operating Costs, Expenses, and Charges. All costs, expenses, and Charges related to the Food Service operation including, but not limited to, the following:

A The invoiced amounts to Sodexho of goods, including food, beverages, merchandise, and supplies. Operating Expenses shall be net of any rebates obtained from local vendors, suppliers, or distributors for goods procured solely

for School's account Prompt payment discounts and any other rebates or allowances obtained from vendors, suppliers, or distributors, including those obtained through Sodexho's regional or national purchasing or distribution arrangements, will be retained by Sodexho In any event, however, the invoiced amounts of such goods shall be competitive, on an aggregate basis, with prices at which such goods and services can be purchased in the geographic area of the Food Services operations.

B. Labor (excluding labor provided as part of the Shared Expenses as defined in Section 2.12 E and 2.15), including wages, taxes, benefits, payroll processing, relocation expenses, retirement plans and the cost of administering all such plans and services,

C. General Support Services Allowance equal to Seven Cents ($.07) per Pattern Meal and Meal Equivalent served, computed at the end of each Accounting Period and prorated for any partial Accounting Period;

D Other costs, expenses, and Charges including, but not limited to, amortization or depreciation of equipment, any Investment (as further defined) made pursuant to the terms of this Agreement, decor, signage, and other items purchased on behalf of the Food Service, Charges for workers' compensation and general liability insurance based on the average manual rates for such insurance in the geographic area of the Premises and other insurance maintained pursuant to the Agreement, out-of-pocket travel and related expenses for training of employees assigned to the Food Service operation, including the costs of an on-site trainer temporarily assigned to the Premises, sales, use, and other taxes related to the purchases made for Food Service (other than taxes collected and remitted by Sodexho to a taxing authority); costs of licenses, permits, information systems, software and software maintenance, armored car services, fees charged to Sodexho for credit or debit card sales, marketing and promotional or proprietary materials, research and development charges, third party recruitment and placement fees, uniforms and linen, flowers, decorations, overnight delivery, if necessary, Smallwares, minor equipment, repair and maintenance of Sodexho-supplied equipment, incidental daily register shortages not to exceed Three Dollars ($3.00) per day (excluding theft), and other services related to the Food Service operation;

E. Shared Expenses shall be charged at a rate of Five Thousand Eight Hundred Dollars ($5,800.00) per year, computed at the end of each Accounting Period and prorated for any partial Accounting Period.

2 13 Pattern Meal. A meal eligible for government reimbursement.

2.14 Premises. School's facilities located at 2319 Valence Street in New Orleans, Louisiana 70115

2.15 Shared Expenses. For purposes of efficiency and cost savings it is understood by the parties that certain management and administrative labor provided by Sodexho shall be shared amongst five (5) charter schools, located in Orleans Parish Therefore it is further understood that the salaries, wages, taxes, benefits, cell phone, vehicle and other related expenses for such labor will also be shared amongst the charter schools. On an annual basis the Shared Expenses shall be adjusted to reflect, at a minimum, actual (i) Sodexho performance rating increases, (ii) increases to payroll based taxes (iii) changes in benefits and (iv) expenses resulting from the addition or deletion of charter schools with the Orleans Parish.

2.16 Smallwares Dishware, glassware, flatware, utensils and similar items.

2.17 Surplus. The excess of Net Sales over the total of Opening Expenses, Operating Expenses and Management Fee.

ARTICLE III
TERM AND EXCLUSIVITY

3.1 Term of Agreement The term of the Agreement is six (6) months, commencing on January 9, 2005 and continuing until June 30, 2006, and is subject to renewal for four (4) additional one (1) year terms upon mutual agreement of the parties, unless terminated earlier as hereinafter provided

3.2 Food Service Exclusive. School grants Sodexho the exclusive right to operate Food Service and catering on or from the Premises

ARTICLE IV
FOOD SERVICE PROGRAM

4.1 Services and Locations. Sodexho shall prepare meals for the schools described in Exhibit A. School and Sodexho may mutually agree upon other locations. School grants Sodexho and its affiliates the right to bid on the procurement of furnishings, fixtures and equipment and on the provision of design services related to the Premises on terms to be agreed upon

4.2 Meal Program. Sodexho shall provide nutritional breakfasts (if applicable), lunches, milk service and a la carte items in accordance with the following terms and conditions·

A. Food shall be prepared in School's nutrition center and School's other Food Service facilities for service at the Premises.

B. Prices to be charged for meals during the 2005 - 2006 contract year

shall be as mutually agreed upon by the parties.

C. Prices for a la carte items, faculty and staff meals, snack foods and beverages shall be as mutually agreed upon by the parties.

D. All free and reduced price Pattern Meals and all other Pattern Meals shall be administered by Sodexho on behalf of School. School shall be responsible for establishing and notifying parents and guardians of program criteria for providing free and reduced price meals for eligible students It shall be the joint responsibility of School and Sodexho to protect the anonymity of children receiving free or reduced price meals and to establish methods for insuring such anonymity.

4.3 Special Diets. Sodexho shall supply any special diets for students required for medical reasons when prescribed and approved in writing by a medical doctor.

4.4 Food Committee and Advisory Board. Sodexho shall have Food Committee meetings at dates and times agreed upon by Sodexho and Food Committee members Sodexho shall cooperate with School in the establishment of an Advisory Board composed of parents, teachers, students and a Sodexho representative to assist in planning menus.

4.5 Catering. Sodexho shall have the first right of refusal to provide catered Food Service. Such service shall be provided at times and prices mutually agreed upon by School and Sodexho at the time the service is requested.

4.6 Non-Food Service Functions. School reserves the right, if Sodexho first refuses to provide requested service, to use School's facilities to sell or dispense food and beverages before or after regularly scheduled lunch or breakfast periods, provided such use does not interfere with Food Service operations. School shall return the facilities and equipment to Sodexho in clean and orderly condition after each use.

ARTICLE V
EMPLOYEES

5.1 Sodexho Management/Professional Employees. Sodexho shall provide qualified management/professional employees to manage the Food Service operations and supervise all employees employed therein.

5.2 Sodexho's Nonmanagement Employees. All nonmanagement Food Service employees shall be employees of Sodexho. Sodexho managers shall direct and supervise employees assigned to Food Service operations,

5.3 Personnel Obligations Each party hereto shall be solely responsible for all personnel actions with respect to employees on its respective payroll. Each party

shall withhold all applicable federal, state and local employment taxes and payroll insurance with respect to its employees, insurance premiums, contributions to benefit and deferred compensation plans, licensing fees and worker's compensation costs and shall file all required documents and forms Each party shall indemnify, defend and hold the other harmless from and against any claims, liabilities and expenses related to or arising out of the indemnifying party's responsibilities set forth herein.

5.4 Agreement Not To Hire. School shall not, without Sodexho's written consent, hire, make any agreement with, or permit the employment in any operation providing Food Service, any person who has been a Sodexho management employee providing Food Service within one (1) year after said employee terminates employment with Sodexho or within one (1) year after termination of this Agreement. School agrees that Sodexho employees have acquired special knowledge, information, skills and contacts as a result of being employed with and trained by Sodexho. If School hires, makes any agreement with or permits employment of any such employee, in any operation providing food service within the restricted period, it is agreed by School that Sodexho shall suffer damages and School shall pay Sodexho as liquidated damages an amount equal to two (2) times the manager's annual Gross Management Salary. This sum has been determined to be reasonable by both parties after due consideration of all relevant circumstances. This provision shall survive termination of the Agreement.

5.5 Equal Opportunity and Affirmative Action Employer. Sodexho is an equal opportunity employer and is legally responsible for all of its employment decisions affecting its own employees, which include thousands of extremely talented and diverse managers As such, Sodexho will not comply with any type of unlawfully discriminatory request or preference by anyone that restricts the opportunities of its workforce. The staffing, promotion, placement or assignment of managers who work on this account must be done without any preference or limitation based on race, color or any other basis prohibited by law, including, but not limited to religion, sex, age, national origin, disability or Vietnam Veteran status. This obligation applies to the recruitment, selection, training, utilization, promotion, termination or other employment-related activities concerning Sodexho's employees. Under no circumstances will Sodexho permit a request or suggestion by a client to place a particular manager in an account to override its non-discrimination policy. Sodexho hereby agrees to defend and indemnify School from any and all claims resulting from Sodexho's discrimination of its employees

In addition, Sodexho affirms that it is an equal opportunity and affirmative action employer and shall comply with all applicable federal, state and local laws and regulations, including, but not limited to, Executive Order 11246, as amended by 11375 and 12086; 12138; 11625; 11758; 12073; the Rehabilitation Act of 1973, as amended; the Vietnam Era Veterans Readjustment Assistance Act of 1974; Civil Rights Act of 1964; Equal Pay Act of 1963; Age Discrimination in Employment Act of 1967; Immigration Reform and Control Act of 1986; Public Law 95-507; the Americans With Disabilities Act; and any additions or amendments thereto.

ARTICLE VI
INVENTORIES, FACILITIES, EQUIPMENT AND MAINTENANCE

6.1 Inventories of Food, Beverages, and Supplies. Sodexho shall on behalf of and in the name of School purchase and replenish inventories of food, beverages, goods, merchandise and supplies The Charges for such inventories shall be booked each Accounting Period as Operating Expenses as provided in Section 2.13.A. Such inventories shall belong to School. Beginning Inventories minus Ending Inventories shall be recorded each Accounting Period to determine product and supply usage

6.2 Inventories of Equipment and Smallwares. School shall furnish necessary Food Service equipment and Smallwares.

6.3 Office Facilities School, at School's expense, shall provide to Sodexho, suitable office facilities, including furniture and equipment. Sodexho shall take reasonable and proper care of the office facilities and return them to School upon termination of the Agreement in good condition, ordinary wear and tear excepted.

6.4 Sanitation. Sodexho shall be responsible for usual and customary cleaning and sanitation of the Premises.

A. Sodexho shall be responsible for housekeeping and sanitation in food preparation, storage and serving areas and shall clean and sanitize dishes, pots, pans, utensils, equipment and similar items and shall be responsible for cleaning of kitchen floors only. Sodexho shall transport refuse to designated refuse collection areas.

B. School shall be responsible for cleaning and sanitation of dining area floors (excluding kitchen area) and all walls, ceilings, ceiling fixtures, air ducts, hood vent systems (as per local ordinance) all windows and restrooms, shall provide and maintain adequate fire extinguishing equipment for the Premises, shall provide necessary pest control, and shall be responsible for removal of refuse from refuse collection areas.

6.5 Maintenance. School shall, at School's expense, provide maintenance personnel and outside maintenance services, parts and supplies required to properly maintain the Premises and equipment, except to the extent Sodexho is required to provide maintenance hereunder

6.6 Condition of Premises and Equipment. The Premises and equipment provided by School for use in the Food Service operation shall be in good condition and maintained by School to ensure compliance with applicable laws concerning building conditions, sanitation, safety and health (including, without limitation, OSHA regulations), except as to the obligation to clean the equipment daily, which is an obligation born my Sodexho. Except in the case of negligence on the part of Sodexho,

School agrees to indemnify Sodexho against any liability or assessment, including related interest and penalties, arising from School's breach of the aforementioned obligations, and School shall pay reasonable collection expenses, attorneys' fees and court costs incurred in connection with the enforcement of such indemnity. School further agrees that any modifications or alterations to the workplace or the Premises (whether structural or non-structural) necessary to comply with any statute or governmental regulation shall be the responsibility of School and shall be at the School's expense. This provision shall survive the termination of this Agreement.

6 7 Telephone Expenses. School shall be responsible for telephone installation costs, local telephone billings and broadband internet access Sodexho shall be responsible for long distance telephone billings.

ARTICLE VII
PAYMENT TERMS AND FINANCIAL ASSUMPTIONS

7 1 Initial Payment. School shall provide a change fund at the beginning of each school year equal to One Hundred Dollars ($100.00). At the end of the school year, the funds will be returned to School.

7.2 Invoice Due Date and Interest. Sodexho shall invoice School at the end of each month for amounts due based on on-site records. Invoiced amounts shall be paid within fifteen (15) days after the invoice date. School shall pay interest on all amounts not paid when due at the lesser of one and one-half percent (1.5%) per month or the highest contractual interest rate allowed by applicable state law at the time the receivable becomes due. Upon termination of the Agreement, all outstanding amounts shall immediately become due and payable.

7.3 Catering Sodexho shall operate the catering services ("Catering Services") for School and shall be compensated as provided below:

Sodexho shall retain all cash receipts to pay Operating Expenses incurred in the operation of the Catering Service. Sodexho shall collect and account for all cash receipts from the Catering Service to pay Operating Expenses Any Surplus or Deficit from Catering Services shall be for School's account.

7.4 Management Fee Arrangement. Gross Sales shall be remitted to School or deposited in School's account on a daily basis School shall provide bank reconciliation and meal count reconciliation within fifteen (15) days after the close of each Accounting Period. Sodexho shall invoice School each Accounting Period for Operating Expenses.

School shall pay Sodexho a Management Fee equal to Five Cents ($ 05) for each Pattern Meal and Meal Equivalent served for the 2005 - 2006 contract year The Management Fee shall be calculated at the end of each Accounting Period.

7.5 Statements and Records. Sodexho shall submit operating statements to School each Accounting Period and maintain records that School needs to support its claims for any reimbursement The operating statements submitted by Sodexho may reflect certain internal charges and allocations which are applied on a consistent basis to Sodexho accounts School, at School's expense, shall have the right to audit all operating statements All books and records relating to the Food Service shall be made available as required by state and Federal regulations for inspection and audit by either School, or state or Federal auditors.

7.6 School Obligations. School, at its expense, shall provide at the Premises electricity, gas, water and other utilities, ventilation, security service, telephone service, janitorial supplies, replacement china, painting, decorating, fire and extended coverage insurance and real and personal property taxes on all School's property. The above are Non-Program Expenses.

7.7 Assumptions. Providing service begins no later than January 1, 2006, financial terms of the Agreement shall be based upon existing conditions and the following assumptions. If there is a change in conditions, including, without limitation, changes to the following assumptions, the financial terms of the Agreement, including the Guarantee, shall be adjusted to compensate for such change.

-- Changes in School's policies, practices, and service requirements shall result in an appropriate adjustment.

-- Average daily attendance ("ada") for the contract year beginning December 1, 2005 shall not be less than one hundred eighty nine (189).

-- Legislation, regulations and reimbursement rates that create changes in the school lunch program shall remain consistent throughout the year.

-- Usable commodities, of adequate quality and variety required for Sodexho's proposed menu cycle, valued at $.1725 per Pattern Lunch for the 2005 - 2006 contract year

-- The government reimbursement rates in effect as of July 1, 2005 shall remain consistent throughout the year

-- Changes to meal components and quantities required by the National School Lunch Act or the National School Lunch Program.

-- There shall be no competitive sales during the lunch period.

-- Service hours, service requirements type or number of facilities selling food and/or beverages on School's Premises shall remain consistent throughout the year.

-- Milk vendor prices shall remain constant throughout the year

-- The state or federal minimum wage rate and taxes in effect as of July 1, 2005 shall not be less than consistent throughout the year.

-- The projected number of full feeding days for the period January 1, 2006 and continuing until June 30, 2006, shall not be less than ninety (90). Commencing in the 2006-2007 contract year the projected number of full feeding days shall not be less that one hundred eighty (180).

-- School lunch prices shall be no less than:

Elementary	$1.25
Secondary	$1.50

7 8 Right of Offset. At any time when School is over thirty (30) days past due on any obligations to Sodexho, Sodexho shall have the right to offset, from any Surplus from the Food Service operation, or from any other sums owed by Sodexho to School, all or any portion of such outstanding receivables.

Additionally, Sodexho shall have the right, at any time when School is over thirty (30) days past due on any obligations to Sodexho, at Sodexho's option, to require that School pay on a pre-billing basis at least one (1) week in advance of each Accounting Period for the estimated amount due Sodexho for that Accounting Period. The estimated amount shall be adjusted and reconciled to the actual amount in the next pre-billing invoice or, if School is no longer past due on its obligations to Sodexho, with the next invoice due under Section 7.2 above

ARTICLE VIII
FINANCIAL ADJUSTMENTS

8.1 Inflation Adjustments. The Management Fee, General Support Services Allowance and Meal Equivalent Factor shall be adjusted annually by a percentage equal to the greater of the percentage increase in the Consumer Price Index ("CPI") National Average averaged for the immediately previous year

8.2 Work Stoppage or Strikes. In the event of a work stoppage or strike which interferes with the Food Service operation, upon request, Sodexho shall take all reasonable steps to continue to provide service during the work stoppage or strike. School shall reimburse Sodexho for all Operating Expenses during such work stoppage or strike, including an allowance for its General Support Services Allowance equal to Three Hundred Dollars ($300.00) per day, plus a Management Fee equal to Two Hundred Dollars ($200.00) per day. The foregoing arrangements shall be in lieu of the terms set forth in Sections 2 13 C and 7.4 herein for the duration of the work stoppage

or strike and the Guarantee shall be adjusted to account for lost Gross Sales and any increased Operating Expenses.

ARTICLE IX
GENERAL TERMS AND CONDITIONS

9.1 Taxes. School shall be responsible for collection and remittance of taxes assessed on the Food Service operation excluding Sodexho's employee taxes and Sodexho's city, state or federal income taxes School shall indemnify Sodexho against any liability or assessment, including related interest and penalties, arising from such tax assessment and shall pay reasonable expenses, attorneys' fees and court costs incurred in enforcement of the indemnity. This provision shall survive termination of the Agreement.

9.2 Compliance with Law. Sodexho shall comply with all applicable laws, ordinances, rules and regulations relating to Food Service sanitation, safety and health including the following·

A. National School Lunch Program (in particular Title 7, Code of Federal Regulations, Section 210, 245, et seq.), the Child Nutrition Act, as amended (7 CFR Part 220), Section 103 of the Federal Contract Work Hours and Safety Standards Act (addressing overtime and compensation), the Clean Air Act (42 USCA Section 7401), the Clean Water Act (33 USCA Section 1251), Executive Order 11738, and Environmental Protection Agency (EPA) regulations (40 CFR Part 15).

B. Sodexho shall recognize mandatory standards and policies relating to energy efficiency and shall comply with the Energy Conservation Policy and Conservation Act (P.L. 94-163).

C. Violations shall be reported to the U.S. Department of Agriculture, Food and Nutrition Services, and the EPA Sodexho shall not knowingly utilize a facility listed on the EPA List of Violating Facilities.

D. School shall procure and maintain all necessary licenses and permits. Sodexho shall cooperate as necessary with School's compliance and procurement efforts

9.3 National School Lunch Program. To assist School's participation in the National School Lunch Program (NSLP):

A. School shall make no payment for meals that are spoiled or unwholesome at time of delivery, or for food that does not meet NSLP requirements or detailed food component specifications as developed by School.

B. Sodexho shall maintain on site records needed by School to

support School's claim, and Sodexho shall provide reports to School at the end of each month

C. Sodexho shall make available, for a period of three (3) years from the date of receipt of final payment under this Agreement, the books and records pertaining to the Food Service operation. These records are subject to inspection or audit by representatives of the State Agency and the United States General Accounting Office at any reasonable time or place If audit findings require further investigation, the records shall be maintained by Sodexho beyond the three (3) year period The cost of such audits shall be borne by School

D. The 21-day cycle menu submitted with the request for proposal shall be used in the first 21 days of Food Service operations. Changes to the initial 21-day cycle menu and changes thereafter may be made with approval of School.

E. If food is prepared or served in a facility not located on School's premises, Sodexho shall maintain state and local health certification for the facility during the term of the Agreement

F. School shall monitor the Food Service operations through periodic on-site visits to ensure that the program is being operated in accordance with all state and federal requirements.

G School shall retain control of the quality, extent, general nature and prices charged in Food Service operations.

H School shall retain signature authority on the agreement(s), free and reduced price policy statement and claims for reimbursement. School shall be responsible for determining eligibility for free and reduced price meals, and for verifying information on claims for reimbursement.

I School shall ensure that the food service operation is in conformance with the School's agreement under the National School Breakfast and/or Lunch Program.

J. School shall retain control of the nonprofit school food service account and overall financial responsibility for the nonprofit food service operation

K School shall retain control for the establishment of all prices, including price adjustments, for meals served under the nonprofit school food service account, e.g., pricing for reimbursable meals, a la carte service including vending machines, and adult meals.

L School shall retain title to USDA donated foods.

M. School shall ensure that all USDA donated foods made available to

Sodexho, including processed USDA donated foods, accrue only to the benefit of the School's nonprofit school food service and are fully utilized therein. All rebates received from processors of donated foods must be retained by the School

N. School shall provide detailed specifications for each food component or menu item as specified in 7 CFR Part 210.

O. School shall maintain all applicable health certifications and assure that all State and local regulations are being met in the preparation and service of meals at a SFA facility.

9.4 Insurance The parties shall maintain insurance as follows:

A. Workers' Compensation Insurance. Each party shall maintain workers' compensation coverage as required by state law covering all of its employees employed in connection with the Food Service operations

B. Comprehensive or Commercial Insurance. Sodexho shall maintain during the term of the Agreement, for protection of School and Sodexho, Comprehensive or Commercial General Bodily Injury and Property Damage Liability Insurance with a Combined Single Limit of not less than Five Million Dollars ($5,000,000.00) for each occurrence, including, but not limited to, Personal Injury Liability, Blanket Contractual Liability and Products Liability, covering only the operations and activities of Sodexho under the Agreement and, upon request, shall provide School with a certificate evidencing such policies. The insurance policies shall contain covenants by the issuing company that the policies shall not be canceled without thirty (30) days' prior written notice of cancellation. School shall be named as an additional insured under Sodexho's policies of insurance to the extent School is indemnified pursuant to Section 9.6.

C Property Insurance. School shall maintain a system of coverage (either through purchased insurance, self insurance, or a combination thereof) to keep School's buildings, including the Premises, and all property contained therein insured against loss or damage by fire, explosion or other cause normally covered by standard broad form property insurance.

9.5 Liability for Non-Sodexho Approved Vendors. School understands that Sodexho has entered into agreements with many vendors and suppliers of products which (i) give Sodexho the right to inspect such vendors' and suppliers' plants and/or storage facilities and (ii) require such vendors and suppliers to adhere to standards to ensure the quality of the products purchased by Sodexho for or on behalf of School. School shall not require Sodexho to purchase products from non-Sodexho approved vendors. School may, however, direct Sodexho to purchase products from non-Sodexho approved vendors. In such instances, for the mutual protection of School and Sodexho, School will require each such vendor to obtain from a reputable insurance company acceptable to School and Sodexho liability insurance (including products

liability coverage) and contractual liability insurance in the amount of not less than Five Million Dollars ($5,000,000.00) for each occurrence naming School and Sodexho as additional insureds and which insurance shall not exclude the negligence of School or Sodexho A certificate evidencing such insurance shall be provided to School and Sodexho upon the request of either party School shall also require each such vendor to sign an indemnity certificate (acceptable to School and Sodexho) in which such vendor shall agree to defend, indemnify, and hold harmless School and Sodexho from and against all claims, liabilities, losses and expenses, including reasonable costs, collection expenses, and attorneys' fees which may arise as a result of using such vendor's product, except when such liability arises as a result of the sole negligence of Sodexho and/or School School shall not require Sodexho to use products from non-Sodexho approved vendors until such insurance certificates and indemnity certificate has been provided

9.6 Mutual Indemnity. Except as otherwise expressly provided in this Agreement, Sodexho and School shall defend, indemnify and hold each other harmless from and against all claims, liability, loss and expense, including reasonable collection expenses, attorneys' fees and court costs which may arise because of the sole negligence, misconduct, or other fault of the indemnifying party, its agents or employees in the performance of its obligations under this Agreement.

9.7 Trade Secrets and Proprietary Information. During the term of the Agreement, Sodexho may grant to School a nonexclusive right to access certain proprietary materials of Sodexho, including menus, recipes, signage proprietary to Sodexho, Food Service surveys and studies, financial statements, management guidelines and procedures, operating manuals, software (both owned by and licensed to Sodexho), computerized data bases and similar compilations and documents regularly used in Sodexho's business operations ("Trade Secrets"). School shall not disclose any of Sodexho's Trade Secrets or other proprietary information, directly or indirectly, during or after the term of the Agreement. School shall not photocopy or otherwise duplicate any such material without the prior written consent of Sodexho. All Trade Secrets and other proprietary information shall remain the exclusive property of Sodexho and shall be returned to Sodexho immediately upon termination of the Agreement Without limiting the foregoing, School specifically agrees that all software associated with the operation of the Food Service, including without limitation, menu systems, food production systems, accounting systems, and other software, are owned by or licensed to Sodexho and not School. Furthermore, School's access or use of such software shall not create any right, title interest, or copyright in such software, and School shall not retain such software beyond the termination of the Agreement.

9 8 Assignment The Agreement may not be assigned by either party without the written consent of the other party, except that Sodexho may, without prior approval and without being released from any of its responsibilities hereunder, assign this Agreement to any affiliate or wholly-owned subsidiary of Sodexho.

9.9 Attorneys' Fees. In the event that any action or proceeding is brought to enforce any term, covenant or condition of this Agreement, the prevailing party shall be entitled to recover reasonable attorneys' fees, court costs and related expenses.

9.10 Notice. Any notice or communication required or permitted to be given hereunder shall be in writing and shall be either served personally or sent by United States registered or certified mail, postage prepaid with return receipt requested, addressed to the other party as follows:

To School Middle School Advocates For Samuel Green Charter School
Attention: Tony Recanser
Director
2319 Valence Street
New Orleans, Louisiana 70115

To Sodexho: Sodexho Operations, LLC
Attention: Scott Loretan
Senior Vice President
10400 Little Patuxent Pkwy., #490
Columbia, Maryland 21044

and: Sodexho Operations, LLC
Attention: Law Department
9801 Washingtonian Blvd., Dept. 51/899.74
Gaithersburg, Maryland 20878

and/or to such other persons or places as either of the parties may hereafter designate in writing. All such notices shall be effective when received.

9.11 Catastrophe Neither Sodexho nor School shall be liable for failure to perform its respective obligations under this Agreement when such failure is caused by fire, explosion, water, act of God, civil disorder or disturbance, strikes, vandalism, war, riot, sabotage, weather and energy related closings, governmental rules or regulations, failure of third parties to perform their obligations with respect to the Food Service operation, or like causes beyond the reasonable control of such party, or for real or personal property destroyed or damaged due to such causes In such cases both parties are released from their respective obligations set forth herein

9.12 Termination for Cause. If either party breaches a material provision hereof or of any other agreement between the parties ("Cause"), the non-breaching party shall give the other party notice of such Cause. If the Cause is remedied within ten (10) days in the case of failure to make payment when due or thirty (30) days in the case of any other Cause, the notice shall be null and void. If such Cause is not remedied within the specified period, the party giving notice shall have the right to

terminate the Agreement upon expiration of such remedy period. The rights of termination referred to herein are not intended to be exclusive and are in addition to any other rights available to either party at law or in equity In addition to the remedy period above, if Sodexho breaches a material provision hereof and fails to cure such breach within sixty (60) days after receiving written notice of such breach the School may elect to pursue any available legal, contractual or administrative remedy or the following sanctions: (i) for a first violation, a written reprimand; (ii) for a second violation, a $25.00 penalty; (iii) for a third violation, a $50.00 penalty. For the purposes of the foregoing, a single violation means an event of the same or similar kind, without regard for the duration or number of personnel, equipment, students or meals involved.

9 13 Termination Without Cause. Either party may terminate the Agreement at any time upon sixty (60) days' prior written notice to the other of the intention to terminate the Agreement.

9.14. Law This Agreement shall be construed in accordance with the laws of the State of Louisiana.

9 15 Miscellaneous. If any term or provision of the Agreement or the application thereof to any person or circumstance shall, to any extent or for any reason be invalid or unenforceable, the remainder of the Agreement and the application of such term or provision to any person or circumstance other than those as to which it is held invalid or unenforceable shall not be affected thereby, and each remaining term and provision of the Agreement shall be valid and enforceable to the fullest extent permitted by law

A waiver of any failure to perform under the Agreement shall neither be construed as nor constitute a waiver of any subsequent failure. The article and section headings used herein are used solely for convenience and shall not be deemed to limit the subject of the articles and sections or be considered in their interpretation. Any exhibits referred to herein are made a part of the Agreement by reference, provided that in the event of a conflict between the terms of such exhibit or any other document incorporated herein, and the terms of this Agreement, the terms of the Agreement shall govern

The remainder of this page has been intentionally left blank.

This Agreement and its attachments and other documents specifically incorporated by reference herein contains the entire understanding and agreement of the parties concerning the matters contained herein, and supersedes and replaces any prior or contemporaneous oral or written contracts or communications concerning the matters contained herein. All provisions of the Agreement shall remain in effect throughout the term thereof unless the parties agree, in a written document signed by both parties, to amend, add or delete any provision. The Agreement may not be changed other than by an agreement in writing signed by the parties hereto.

IN WITNESS WHEREOF, the parties hereto have entered into the Agreement as of the date indicated in the first paragraph or the first day of the Initial Term, whichever is sooner.

MIDDLE SCHOOL ADVOCATES FOR SAMUEL GREEN CHARTER SCHOOL

By: _____

Name (printed): Dr Anthony Recasner

Title: Chief Executive Officer

SODEXHO OPERATIONS, LLC

By _____

Scott Loretan
Senior Vice President

COOPERATIVE ENDEAVOR AGREEMENT

BETWEEN

MIDDLE SCHOOL ADVOCATES INC.

AND

ORLEANS PARISH SCHOOL BOARD

THIS AGREEMENT is made and entered into this **30th** day of August, 2005 by and between **Middle School Advocates Inc. as provider for S.J. Green Charter School**, herein represented by **Anthony Recasner** (hereinafter referred to as "**Middle School Advocates Inc.**") and the Orleans Parish School Board, herein represented by Dr Ora L Watson, its Acting Superintendent, who is duly authorized to act pursuant to LSA-R.S 17:10.6, (hereinafter referred to as "OPSB").

WITNESSETH

WHEREAS, Middle School Advocates Inc. desire to engage in a cooperative endeavor agreement to secure telecom services, network/support and monitoring, network services applications and Email/Web support for **Middle School Advocates Inc.**, as the charter operator for the 2005-2006 school year.

WHEREAS, the Orleans Parish School Board, which is located at 401 Nashville Ave , New Orleans, LA 70115, through the Information Technology Department has within its means the ability to provide SASI support, telecom services, support/network monitoring and network services/applications; and

WHEREAS, the Orleans Parish School Board, through its Acting Superintendent, Dr. Ora L. Watson, is herein authorized to enter into this cooperative endeavor agreement on behalf of the Orleans Parish School Board as per the Recovery School District Legislation.

NOW THEREFORE, Middle School Advocates Inc. and OPSB for due consideration, and under the conditions set forth, do agree as follows:

I. SCOPE OF SERVICES

A **OPSB Agrees To:**

1 Maintain management of all network related equipment, for the 2005-2006 Academic Year to **Middle School Advocates Inc.**;

2. Provide telephone, internet access and GIG-E network connectivity for the 2005-2006 Academic Year to **Middle School Advocates Inc.**;
3. With respect to telephone lines, provide services for the current telephone lines, and assist with new telephone lines inclusive of both Analog and IP telephony;
4. Provide support/network monitoring services for the 2005-2006 Academic Year to **Middle School Advocates Inc.**,

5 Provide network services/applications for personal computers, including anti-virus protection/CA Etrust, Microsoft Licensing and Content Filtering/Valera.

6. If needed, provide SASI training and workstation support to the end users of **Middle School Advocates Inc.** and submit SASI State reporting on behalf of **Middle School Advocates Inc.**.
7. Provide desktop support for personal computers and servers used to connect to the NOPS network

8 Compensation for the services shall be provided in accordance with the Schedule set forth in Section II below.

B. **Middle School Advocates Inc. To:**

1 Accept technological services offered by OPSB in accordance with this agreement, without parsing out individual services;

2 If needed, pay for SASI training and support and Pearson software support and maintenance fee to OPSB on a per student enrollment basis.

3 Maintain OPSB as the sole customer for vendors;

4 Pay all invoices on a net 30 day basis to OPSB;

5. Pay 100% of all costs for **Middle School Advocates Inc.** billed by other third-party vendors, if needed,

6. Not compromise the security of OPSB's network;

7. Authorize NOPS to file for E-Rate discounted services for **Middle School Advocates Inc.** and draft Letter of Agency to USAC-SLD.

8. Pay NOPS for Erate charges and be reimbursed at the applicable reimbursement rate for 2005/2006

II **COMPENSATION**

A **Middle School Advocates Inc.** shall compensate OPSB for the IT services listed herein-above, at the forecasted rates defined in Section IIC of this document.

1. The prices quoted in Section IIC are quoted with the understanding that the existing contracts and the services are subject to price changes

2. Each school will be charged for a minimum student count of two hundred a fifty students.

3 Capital costs (e.g., wiring, hardware) will be billed separately from the per student charge in this agreement

B. If, during the term of this Cooperative Endeavor Agreement, prices for the above-quoted services increase, **Middle School Advocates Inc.** agrees that it will enter into an amended Cooperative Endeavor Agreement in order to reflect the increase in cost of services. **Middle School Advocates Inc.** further agrees to pay the increase in cost of services, if any

C. The following is forecasted 2005-2006 Shared Service Costing Model:

Service	Approx. Monthly Cost	Approx. Cost Per 6 months	E-Rate Portion	Approx. School's Obligation (6 months)	**Cost Per Student (6 Months)**
[1]IT Services Provide by NOPS (8 hours of Professional Development for Training and Help Desk)	$1,472 17	$8,833 00	-0-	$8,833 00	**$17.68**
Telephone Lines 10 Lines	$150.00	$ 900.00	$810.00	$90 00	**$0.18**
[1]Software Applications	$500.00 Approx	$3,000 00	-0-	$3,000	**$6.00**
Data Circuits	$300 00	$1800.00	$1620.00	$180	**$0.36**
Telecommunications, Internet and IT support Sub-Total	$2,422	$14,533	$2,430	$12,103	**$24.22**
SASI Licenses K-8 SASI Licenses High School	$ 125 $ 333.33	$ 750 $2,000	-0- -0-	$ 750 $2,000	**$2.33**
SASI Support	$ 541 67	$3,250	-0-	$3,250	**$6.50**
Sub-Total K-8 SASI **Sub-Total High School SASI**	$ 666.67 $ 875	$4,000 $5,250	-0- -0-	$4,000 $5,250	**$8.83 AVERAGE**
Grand Total for IT, Telecommunications, Internet and SASI Licenses, Maintenance and Support	$3,088.84 K-8 Schools $3,297.17 High Schools	$18,538.04 K-8 Schools $19,783.02 High Schools	$2,430	$16,103 K-8 Schools $17,353 High Schools	**$33.05 Per Student AVERAGE**

1IT Costs that are E-Rate eligible include email services, firewall services and basic maintenance of eligible equipment Software licenses for 6 months

Licenses include anti-virus protection, Microsoft and Content Filtering Software excludes cost for WINSNAP which are estimated at $1 50 per student

Note Software licenses are based on number for computers and the cost will vary This is an estimate and will need true-up at year end

Note There is a minimum of 250 students per school charged for services

III. **EQUAL EMPLOYMENT OPPORTUNITY**

In all hiring or employment made possible by, or resulting from this agreement, there (1) will not be any discrimination against any employee or applicant for employment because of race, color, religion, gender, age, physical or mental disability, national origin, sexual orientation, creed, culture, or ancestry, and (2) where applicable, affirmative action will be taken to ensure that the *employees of* **Middle School Advocates Inc.** *are treated during* employment without regard to their race, color, religion gender, sex, age, physical or mental disability, national origin, sexual orientation, creed, culture, or ancestry This requirement shall apply to, but not be limited to the following employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. All solicitations or advertisements for employees shall state that all qualified applicants will receive consideration for employment without regard to race, color, religion, gender, age, physical or mental disability, *national origin, sexual orientation, creed, culture, or ancestry*

IV **ASSIGNABILITY**

OPSB shall not assign any interest in this agreement and shall not transfer any interest in the same without prior written consent of the **Middle School Advocates Inc.** shall not assign any interest in this agreement and shall not transfer any interest in the same without prior written consent of OPSB.

V. **CONFLICT OF INTEREST**

In the interest of ensuring that efforts of OPSB do not conflict with the interests of the **Middle School Advocates Inc.**, and in recognition of the OPSB'S responsibility to **Middle School Advocates Inc.**, OPSB agrees to decline any offer of employment if its independent, professional work on behalf of **Middle School Advocates Inc.** if **Middle School Advocates Inc.** is likely to be adversely affected by the acceptance of such employment. The initial determination of such a possibility rests with **Middle School Advocates Inc.**. It is incumbent upon OPSB to notify **Middle School Advocates Inc.** and provide full disclosure of the possible *effects of such employment on OPSB's independent*, professional work on behalf of the Institute.

VI **INDEMNIFICATION**

Each party hereto shall indemnify and hold harmless the other against any and all claims, demands, suits, judgments of sums of money to any party accruing against the other party for loss of life or injury or damage to persons or property growing out of, resulting from, or by reason of any act or omission by the indemnifying party, its agents, members, servants, or employees while engaged in or about or in connection with the performance of the services specified hereunder by the indemnifying party, and shall hold each other harmless from any and all claims and/or liens for labor, services, or materials furnished by the indemnifying party in connection with the performance of its obligation under this agreement.

VII **DURATION OF AGREEMENT:**

The services to be provided under the terms of this agreement shall begin on November 15, 2005 or on the first day of school, whichever is later, and shall end no later than June 30, 2006, unless the 2005-2006 School Year is extended by the **Middle School Advocates Inc.**. It is understood and acknowledged by all signers to this Agreement that work described under these terms is to be accomplished during the time period specified herein. The terms, conditions and duration of this contract may be modified by an executed, written amendment to this contract.

VIII. **EXTENSION:**

This agreement may be extended on an annual basis at the option of the Institute

IX. **CANCELLATION:**

Middle School Advocates Inc. may terminate the Agreement at any time during the term of the Agreement by giving OPSB notice of said intention to terminate at least thirty (30) days before the intended date of termination. OPSB shall have the right to terminate this Agreement for the non-payment of compensation under paragraph II above. The failure of OPSB to immediately exercise its right of termination for failure of **Middle School Advocates Inc.** to make payment hereunder shall not operate as a waiver of said right of termination

X. **JURISDICTION:**

This agreement shall be construed and enforced in accordance with the law of the State of Louisiana. Each party agrees that the exclusive venue and forum to enforce any and

all aspects of the Agreement shall be the Civil District Court for the Parish of Orleans

For the consideration and under the conditions set forth above, the Orleans Parish School Board has agreed to perform the specified *service(s)* .

WITNESSES:

Middle School Advocates Inc.

Dr. Anthony Recasner, Chief Executive Officer

ORLEANS PARISH SCHOOL BOARD

Dr. Ora L. Watson, Acting Superintendent

Mr. William V. Roberti, CRO